

COUNCIL MEETING

DECEMBER 2, 2015

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Mel Rapozo at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, December 2, 2015 at 9:04 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock
Honorable Gary L. Hooser
Honorable Ross Kagawa (*present at 9:05 a.m. to 4:01 p.m.*)
Honorable Arryl Kaneshiro
Honorable KipuKai Kuali'i (*excused at 2:52 p.m.*)
Honorable JoAnn A. Yukimura (*present at 9:08 a.m.*)
Honorable Mel Rapozo

(Councilmember Kagawa was noted as present.)

APPROVAL OF AGENDA.

Councilmember Kuali'i moved for approval of the agenda as circulated, seconded by Councilmember Kagawa, and carried by a vote of 6:0:1 (*Councilmember Yukimura was excused*).

MINUTES of the following meetings of the Council:

November 4, 2015 Council Meeting
November 12, 2015 Special Council Meeting

Councilmember Chock moved to approve the Minutes as circulated, seconded by Councilmember Kuali'i, and carried by a vote of 6:0:1 (*Councilmember Yukimura was excused*).

Council Chair Rapozo: Thank you. Can we have the first item, please?

There being no objections, C 2015-298 was taken out of order.

COMMUNICATIONS:

C 2015-298 Communication (11/17/2015) from the Director of Finance, requesting agenda time to brief the Council on the launch of the County's Long-Term Financial Plan project contracted with the Government Finance Officers Association (GFOA): Councilmember Kagawa moved to receive C 2015-298 for the record, seconded by Councilmember Kuali'i.

Council Chair Rapozo: Any discussion?

The motion to receive C 2015-298 for the record was then put, and carried by a vote of 6:0:1 (*Councilmember Yukimura was excused*).

Council Chair Rapozo: Next item.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Chair, they have a presentation?

Council Chair Rapozo: That is what I thought. We can move forward. Not you. Come up. Somebody needs to withdraw the motion. I apologize.

Councilmember Kagawa moved to reconsider the motion to receive C 2015-298 for the record, seconded by Councilmember Kualii, and carried by a vote of 6:0:1 (*Councilmember Yukimura was excused*).

Council Chair Rapozo: Motion carried.

Councilmember Kagawa moved to receive C 2015-298 for the record, seconded by Councilmember Kualii.

Council Chair Rapozo: Go ahead.

There being no objections, the rules were suspended.

KEN M. SHIMONISHI, Director of Finance: Aloha, Council Chair Rapozo, Vice Chair Kagawa, and Councilmembers. Ken Shimonishi, Director of Finance. Thank you for the time to provide a briefing to the Council as we embark on our long-term financial plan. I know this has been a topic or a project that has been at the forefront to assist the County of Kaua'i in how we do our budget and our financial outlook going forward hopefully to identify any future imbalances that may exist, how do we address those imbalances, and move forward in a more uniform or I guess, a more stable type of manner as we go forward with the County's finances. I will have you introduce yourself.

ELIZABETH FU: Good morning members of Council. My name is Elizabeth Fu. I am a Senior Consultant with the Government Finance Officers Association (GFOA). I have the privilege of working with you and your organization in regards to the financial policy assistance. I will go over the details of what we are going through during our time in developing policies today. For an overview, the Government Finance Officers Association, I know some of you may be aware who we are, but it is also great to a refresher sometimes.

(*Councilmember Yukimura was noted as present.*)

Ms. Fu: We are a membership based organization of professionals across the United States and Canada. We are comprised of about eighteen thousand (18,000) members, and we began in 1906. The unit I specifically work on is the Research and Consulting Center. So anything that is not accounting related falls under our purview. So, the areas of financial policy, and kind of a more creative realm of financing and budgeting, those would fall under our purview. We have offices in both Chicago and Washington, D.C. I am based out of Chicago. I am enjoying my time here and the weather. So, thank you for having me. A lot of the products and services that we offer, you may be familiar with. A lot of people know our awards program, and that is where our Comprehensive Annual Financial Report (CAFR) award and our budget award are widely regarded through the municipal sector. We also offer training consulting services. The consulting services is why I am here today. We are working with the County of Kaua'i on developing financial policies. We are adopting areas of best practices that our members develop and incorporate those within our recommendations for the County.

(Councilmember Kagawa was noted as not present.)

Ms. Fu: The underlying purpose of why GFOA is here is really to help the County identify and assist in drafting of the financial policies. This is the basis of long-term financial planning. I want to reiterate that I want to really make a note to say that financial policies are really developed within your organization. We are here to guide you throughout the process, but it does not work well whenever an outsider comes in to say this is what the organization's policies should be. It is going to be a very collaborative process. Throughout that time when we are developing financial policies, my role is to kind of identify the best practice areas, things that our members say are really true and dear to all government finances. We will draw from our members' experiences. We have eighteen thousand (18,000) members. We worked with various municipalities across the Country in determining the areas of financial policy. So, we have a lot of resources to draw from. But we also want to incorporate what the County's ultimate goal is for undertaking this project. We want to make sure that your vision for the future is incorporated throughout the financial policies documents.

Policies are important, and you folks are no better people to understand that than others. But we really wanted to identify that the financial policies really set up the framework for good financial management. So, it is a reference point for everyone involved to say what the organization's financial future should look like and also, it helps frame the decisions that we make. I want to clarify the strategic intent and shared understanding. We want to make sure that everyone is on the same page with regards to financial policies. We also want to define boundaries. It is the essence of who is doing what and also recognizing some internal control elements as well. Strong financial policies support credit ratings. So, the credit rating agencies want to see good financial plans in practice and being adhered to.

(Councilmember Kagawa was noted as present.)

Ms. Fu: Everyone is subject to risk, and the policies are aiming to help mitigate and identify those risks and seeing how we can make recommendations going forward to counteract those risks. So, we also have to comply with best practices. Policies should be held to a standard. If they are not held to a standard, then they are not going to be as rigid in providing the financial future outlook that the County would want to pursue. Ultimately, financial policies promote long-term and strategic thinking, so the intent of the overall organization.

Above is a list of common reasons that governments have for embarking on this process. Often times it is started because something happened, economic downturn, perhaps a poor finding within the auditor's report, or a poor rating from an agency. We do not want to get there yet, right? We never want to get there. I really applaud the County for recognizing the vision for having a strong financial outlook and adopting this process.

Let us get to the part of what we are doing as GFOA to help the County in developing financial policies. Let me first start by saying that this is a collaborative process. This is a vision of the organization. So, everyone's voice matters. We want to get everyone's opinion on what the risks are, what the expectations are, and what the perceived future outlook of the County should be. Everyone is going to be involved. The project team will solicit input from the Council, the Mayor, and Department Heads. But one of the things I really want to point out again, this is a policy. These policies should be developed by the organization. Our involvement is to provide guidance, to provide examples, and to provide recommendations.

Ultimately, you folks are the ones who adopt whatever is incorporated within the policy documents. Again, we will incorporate best practices where it best fits, but sometimes best practices are not necessarily for every organization. There are special circumstances that require a little bit more specifics, and that is what GFOA's role is in trying to help to identify certain risk factors that may lend themselves to other policies and we would recommend that.

This roadmap here is the process that the project team will embark on. Let me say that it is a continuous process. It will not happen overnight, and there will be a lot of labor of love with the project team and the organization in developing the financial policies. The first step is establishing the vision and values for the financial condition. This is where we would like to hear the Council's input, and the project team will be in contact to solicit your outlook on the future and what you value as an organization and members of Council who have a very unique perspective in your involvement with the public and also your role here as Councilmembers. Then we are going to identify the problem areas. We will talk to different stakeholders to see what their areas of concern are that may warrant financial policies. The project team will draft the policies, but it requires a lot of review; review from the different Department Heads, different Department staff, and also input from the Council. After the Council input is sought, we can open up to the public comment period to help ensure the community's thoughts are incorporated as well. But to have strength and teeth for all financial policies is for an organization to actually adopt and consider these policies. Once it is adopted, it is viewed as an important document for the County to live by and continue to put into practice throughout every decision-making process. The policies are monitored and maintained to ensure that they are active and addressed to any changing conditions that the County may face. That is the broad roadmap to developing policies.

Here is the estimated project timeline. The project timeline really embarks on what GFOA's involvement is. There are two (2) important things I want to highlight, and I will go over each task in detail in a minute. Two (2) important things I want to highlight is you will see a lot of overlap within one task to another. It lends itself to some overlap, but it also sets the stage of our involvement. We want to be here to make sure it starts and ends so that another step can begin properly.

The second thing I want to point out is that arrow you see, that yellow arrow on Task 3, the Long-Term Financial Planning. It is a continuous process. It will not stop. As things change, the organization has to be flexible and nimble to adapt to those changes and adjust financial policies as needed, and to monitor that the policies are being adhered to.

Going into the details, the Project Readiness task is really in regards to getting the project set up. The project team has been established. We have a very diverse group of representatives and very active participation. The other thing that has been developed is a document to guide their work. This helps us to framework what they are to accomplish as a project team.

Task 1 is where we are really starting to get our feet wet into development of the policies. Information is being gathered at this point to kind of help identify the areas of risk and concerns. GFOA and the County is hosting different workshops with the project team to orient themselves and identify areas of financial policy and risk that we would like to uncover.

(Councilmember Kagawa was noted as not present.)

Ms. Fu: The project team will leave this task with a guide to help develop financial policies and will have examples to draw from. We will leave this task with working documents that is to help set the stage to get them reviewed and approved by all stakeholders.

Task 2 is really getting into the specifics of the organization. There are broad policies, but there are some that are really specific to how the organization should mitigate and address this risk. This piece really relates to the reserve levels. GFOA will work with the County to kind of help identify a reserve target level. We will incorporate the areas of best practices as well, and it is a process to identify risk areas that may lend themselves to other financial policies aside from a reserve policy. I want to recognize that the organization does have a resolution for a reserve, and that will serve as a basis of what we will work on and the foundation of what we do, and then we will help refine and make recommendations as we uncover those.

After the policies have been set, it is really important that it is being monitored and sets the stage for the long-term financial planning process. For this process, it is an ongoing effort for the County. GFOA will be here to help and begin the process, but kind of prepare a checklist to monitor. Is the County adhering to the policies that it adopted? What are the indicators of such? Ultimately, the County will take the legwork because this is a process that continues long after GFOA helps the County develop the policies, long after some of you may even be members of Council, and maybe you decide that it is time to move on. This is a living document that requires a lot of monitoring and a lot of ongoing work.

Task 4 is an optional task if the County chooses to embark on this phase. This process is really about looking at efficiencies within the operation and uncovering opportunities for improvement. So, any kind of thing that may be a little bit cumbersome for the general day-to-day operations of different financial areas. We want to document those and make improvements. This again, is an optional task, but if the County chooses to embark on it, GFOA will certainly help.

Before I close, I want to give you a glimpse of the next steps. The project team will be in contact with you, and the County Clerk will be a great resource with the County Council. But we wanted to hear the vision for the future of the County in terms of what the County Council perceives, helping to set the framework of what you folks envision, and that will frame the discussion for the project team and what policies to adopt and what risks are to be reviewed. Similarly, you want to gain an understanding of the challenges that the County will face in the near term. So, three (3) to five (5) years. Again, you have a very unique position as members of an elected body and also your representation from the community. The project team will seek your input on the areas of risk that you identify. With that said, thank you for your time today. If you have any questions, I am all ears.

Council Chair Rapozo: Thank you. I guess I have one (1) question, and maybe it is for Ken. You can turn the lights on. The project team is made of, I am assuming...who is on the project team?

Mr. Shimonishi: The project team consists of primarily the members of the Budget Team; myself; Ernie Barreira; Christine Wong, our Budget Analyst; Janine Rapozo, our Human Resources Director; Steve Hunt, our Real Property Tax Manager because we wanted to be sure we covered the majority revenues and majority of the expenses, obviously; and Keith Suga, our CIP Manager. We also have a member from staff. Right now it is Jade. I understand maybe Jade

and Scott may be swapping out at times as needed. Then also some representation from the Mayor's Office. Currently, Nadine is participating as her schedule allows.

Council Chair Rapozo: Okay. Would it not make sense or would you consider maybe one (1) of the Councilmembers, our Budget & Finance Committee Chair? Is it normal to not a member of the actual Council?

(Councilmember Kagawa was noted as present.)

Ms. Fu: It can be as long as you folks share your vision and there is a liaison between the Council and the member of the project team. I think the broad vision of what the County Council expects is what needs to be articulated to the project team, and that will help set the guiding principles of what they are working on. The project team continues to keep everyone informed of the process. This impacts the entire organization, so it needs to carry a transparency of what is happening across the elected body and also the Mayor's Office and staff.

Council Chair Rapozo: Thank you. Councilmember Yukimura.

Councilmember Yukimura: I think it would be important for our Budget & Finance Committee Chair to be part of the committee as the real policy maker. The connection will help our understanding and input into the process. Anyway, I have some questions, but just to piggyback on what you said.

Council Chair Rapozo: If we can maybe start with the beginning of the presentation and just move through the presentation, if you have any question pertaining to the specific tasks. So, we are embarking on this process currently?

Ms. Fu: Yes sir.

Council Chair Rapozo: Have we done this process before?

Mr. Shimonishi: Not to my knowledge.

Council Chair Rapozo: Okay.

Mr. Shimonishi: I think that is one of the things the Council and, I think the Administration, identified was that the annual budget process was rather short-term or I guess the vision was just how do we balance this coming year's budget...

Council Chair Rapozo: Right.

Mr. Shimonishi: ...with that foresight going forward. I think we all think about things that occur that we should consider in future years, but there is not a real formal process to account for all of those ideas, changes, and outcomes going forward. To me knowledge, this is the first that we working on.

Council Chair Rapozo: Well, congratulations on that. I mean, I think it is a great process. Why do we not just go in the order of the presentation so we can have some control? Councilmember Yukimura.

Councilmember Yukimura: I concur that a congratulations is in order. I feel like after hearing the presentation, that this is really a step in our goal toward professionalization of the County. For all those who are pining for a Council-Manager

form of government, that is the underlying reason that we want to see professionalization. So, we are starting even without the change in governance. That will be a question later on. Thank you very much for your presentation. I know you want to go step-by-step, but I think this is kind of hinged on the vision, right?

Ms. Fu: It is hinged on the vision. So, that is why the project team would like to solicit your input on what you think the vision of the County should be, what is the long-term outlook, what are near-term risks, and what are long-term risks. We want the future of the County and the community to be aligned with whatever the financial vision and mission of the County is, aligned with the actual overall mission and vision of the County.

Councilmember Yukimura: One of our problems or disconnects that I have observed is the lack of a collective vision, well, a vision amongst ourselves and a vision between the Council and the Mayor. We did try a vision experiment at the beginning of our term to try to create a vision between the Council and the Mayor, and in my opinion, we did not get very far. So, if there is not this collective vision, what do you recommend?

Ms. Fu: I certainly do recommend that all parties talk to each other and involve the members of different Departments. Sometimes having the Departments involved provides a different perspective in kind of a different framework that could lend itself to a mindset of how are the people with their boots on the ground are feeling, how the elected body is feeling, and is there any kind of a basis of foundation that we can work from. There is a lot of workshops that we can all do collectively in order to come together in a way that facilitates itself to a more collaborative process in order to develop that mission and vision together.

Councilmember Yukimura: Yes because I am a student of Stephen Covey, and he says you have to have this end in mind, and once you have the end in mind, then whatever people's *kuleana* or area of responsibility we all know we are working toward this common vision. If there is just a lot of different visions, everybody is going every different way. Then you talk about the major challenges, near-term, three (3) to five (5) years. Our terms are two (2) year terms and they are effectively one (1) year because you are running in the second year. It is hard to have a long-range vision. Do you make any recommendations as to governance structure?

Ms. Fu: The governance structure in regards to the organization? I do not.

Councilmember Yukimura: Okay.

Ms. Fu: That is actually something that organizations have to decide on their own. What we recommend is whenever we are thinking about the decisions that we make, we take a short-term, mid-term, and long-term approach. We are all here to make sure that our children live to see a better day than we did, and will not put them in a position to face a lot of the challenges or live with some of those consequences that we make sometimes. So, we have to think about that throughout our decision process, how we make our decision, and how we come to our decisions. But that is without regards to the governance structure or an organization.

Councilmember Yukimura: Okay. Then we are, I think, about to embark on some real property tax reform. Do you make recommendations as to real property tax policies?

Ms. Fu: We make recommendations in terms to revenue volatility and general revenue policies. So, that is when that area will be touched. I guess greater conversations will be needed to have once what is decided on the real property tax reform.

Councilmember Yukimura: You said revenue volatility and what?

Ms. Fu: Revenue volatility and just general revenue policies.

Councilmember Yukimura: As Ken pointed out, real property taxes are our main source of revenue. So, that issue or the nature of our biggest source of revenues is pretty key. Okay. Thank you very much.

Ms. Fu: Thank you.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: He was first.

Council Chair Rapozo: Oh, I am sorry. Councilmember Kaneshiro.

Councilmember Kaneshiro: Thank you. I was just curious. I noticed the timeline, and I thought it was just in general. But where are we on the timeline right now?

Ms. Fu: We are at Task 1. We have just commenced Task 1. We worked to develop the project to get it ready. So, the project team and I are slowly beginning to identify how to get the vision of the Council and how to get everyone's vision incorporated in the process in identifying the risk. We are in the very beginning stages.

Councilmember Kaneshiro: Of Task 1. So, you folks are pretty much following this. You folks really started in September and you folks are following this timeline?

Ms. Fu: September is just getting the project ready. So, getting initial documents ready. GFOA just provided guidance on areas of how to structure the project, just general project readiness.

Councilmember Kaneshiro: Okay. Thank you.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. Thank you, Elizabeth. How many Counties or municipalities does your non-profit serve in similar jobs like this?

Ms. Fu: Similar jobs, hundreds.

Councilmember Kagawa: Hundreds?

Ms. Fu: Hundreds since our inception of the Research and Consulting Center in 1977. This year we worked with ten (10) different organizations in helping to identify some elements of policy and policy development.

Councilmember Kagawa: For Kaua'i, how many people are working on this project here?

Ms. Fu: I am presently here right now. But back at home, there are two (2) other people who are working on this project. Actually, I should say three (3) people. My colleague Shayne Kavanagh is pretty much the financial policies guru of sorts. He is very esteemed in this area and we work very closely together on this area. A lot of the policy templates and the ideas that you will see from different organizations come from a lot of his research work and his publications on this area.

Councilmember Kagawa: Are you using other municipalities of similar financial ability and demographics to use for Kaua'i County?

Ms. Fu: Absolutely. Whenever we look at other Counties, we think of different considerations. We look at their largest primary source of revenue, we look at population, and we look at economic base. Depending on the different areas that we are looking at, we use different benchmarks just so that we are clear and capture different elements of Kaua'i.

Councilmember Kagawa: I guess this question is for Ken. Ken, we have been in operation since 1905, and we have never had this service? Who did this service prior? I mean, Alvin Honda was our budget man in the past. We had Seth Matsuda and Clint Saiki with the Department of Public Works. Were they the people that pretty much planned ahead for us all this time?

Mr. Shimonishi: I think the harsh reality is that there really was no long-term financial planning officially or formally being done by the County. I am sure individuals or individual Departments probably had a forecast in mind. But as far as getting a consolidated financial long-term plan vision forecast put together, I am not aware of any function that was being performed prior.

Councilmember Kagawa: How much is this costing the taxpayers?

Mr. Shimonishi: The contract is forty thousand dollars (\$40,000) from what I understand.

Councilmember Kagawa: That is a steal.

Mr. Shimonishi: Hopefully when you see our product, we...

Councilmember Kagawa: I mean, just to not have had this long-term planning and for forty thousand dollars (\$40,000) to see if this works for us because right now, we are struggling.

Mr. Shimonishi: Right.

Councilmember Kagawa: And with the background that they have shown that they have, I think it is a great idea.

Mr. Shimonishi: I totally agree.

Councilmember Kagawa: Elizabeth, are you going to be tackling the long-term obligations and trying to figure out for us, I guess, a tactical way of trying to catch up, like our road resurfacing, they say is about one hundred million

dollars (\$100,000,000) in backlog? We have huge obligations with our landfill coming up. Is the plan to kind of help us with some of those long-term costs as well?

Ms. Fu: We are looking to identify strategies so that you can address those. We want to identify all of your risks. Everything you have just mentioned are risks that the project team has certainly mentioned throughout my conversations with them. So, it is really at the forefront. We want to identify those main ticket items, and even not just the main ticket items, just general items; the general maintenance of facilities and general maintenance of assets to help you prepare for that long-term financial planning process. The one thing that we do not or any organization wants is to have an unexpected surprise to come up because of an asset just not being maintained or something of the sort and then the balloon cost, right? We do not want to that. We want to incorporate different areas of what are the risks, how do we mitigate those risks, and how do we prepare for this risk. But not matter what our recommendations are and no matter what the policies are, it is actually implementing and following through. That is what everyone cares about; everyone within the Council, everyone within the County organization, and all external stakeholders as well. Your creditors are really concerned about that as well. How does everything look and how are you performing as an organization.

Councilmember Kagawa: My last question. Have you helped any of the other Counties in Hawai'i?

Ms. Fu: We have not. This is the first one.

Councilmember Kagawa: Alright. Thank you. Congratulations, Ken. Good job.

Council Chair Rapozo: Councilmember Kualii, Councilmember Chock, and then Councilmember Hooser.

Councilmember Kualii: Thank you for being here and for the work that you are doing for us. When you talked about Task 4 the process mapping an analysis, you said that it was optional. The bullets there talk about facilitating the discovery of improvements opportunities and identifying the potential improvements and the best practices implementation. That seems kind of critical. Why would it be optional? What is our plan to do with that and what is the difference between doing it and not doing it? I see on the timeline is in this final three (3) months at the same time of the long-term financial planning.

(Councilmember Kaneshiro was noted as not present.)

Ms. Fu: Certainly. The process improvement and the mapping process, that could happen at any time whenever you folks are prepared. The long-term financial planning process, it is a long process and like I said, it is a lot of labor of love. Whenever you folks are ready to move forward, we could definitely move forward with it. The difference is it is a lot of thinking about the operational improvements, so the daily functions. So, thinking about different layers of approval that Department staff within will have to get for each other in order to process, let us say a check or process a requisition. So, it gets to the nitty-gritties of the daily operations. So, what we want to set is the framework for the broader vision and mission of the organization and the policies and have that understanding, and then we can move on to other areas of work as you folks wish.

Councilmember Kualifi: In the end, besides of this forty thousand dollars (\$40,000) contract, besides identifying all of the possible opportunities or ways to be better prepared or have the long-term planning in place, are you actually making recommendations before you leave?

Ms. Fu: Absolutely. We do not want to put an organization in a position where we just hand it over and anything sits on the shelf. We will make recommendations, but ultimately, it is up to the organization to decide whether you want to adopt our recommendations. For example, when I talked about the specific risk-based assessment for the County, we are really looking at your risk drivers. We are really doing the legwork in identifying what strategies could help mitigate your risks in terms of policy, in terms of reserve amount, and anything that would complement it. So, there is a lot of various recommendations there.

Councilmember Kualifi: Thank you. Thank you, Chair.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: Thank you, Elizabeth. Thank you for the presentation. In the last two (3) budgets, we have made that request for a long-term plan. I am glad that it is underway.

(Councilmember Kaneshiro was noted as present.)

Councilmember Chock: I wanted to just kind of go back to something you talked about, which is what everyone is interested in, and that is the implementation of it. I think that is number 8, put policy into practice. I was wondering if you might be able to provide tangible and an applicable example of how it is you folks have helped transition Counties or Cities or municipalities that you have worked with towards some success.

Ms. Fu: Absolutely. A very good example happened last year. We were working with a City to help them actually revamp their policies. It was getting stale. They wanted something different. In the middle of it, it was a reserve strategy and also a financial policy strategy. In the midst of it, they had an earthquake and that constituted no more of a shocker than saying, "Yes, we need some policies to help us to be nimble in order to be able to address this, in order to carry enough cash so that we can properly respond to clean up and get the city back into shape." So, that is one way that we have helped Counties to help really shy the forefront of why these policies are necessary and why it is important.

Councilmember Chock: Okay. This might be for Ken. The discussion on the Council's vision, what is your strategy? Are you proposing us to have a workshop or get together with the Mayor once again to try and come up with the vision?

Mr. Shimonishi: Well, I think we initially thought that Jade would be the liaison between the Council and be the member of the project team...

Councilmember Chock: Okay.

Mr. Shimonishi: ...to solicit that type of input, and we may be adding Councilmember Kaneshiro. I think maybe Elizabeth could speak to how that might work.

Councilmember Chock: Okay.

Ms. Fu: Getting your overall vision is very important. We thought Jade would be a good fit because of her role as being an active member of both sides and with active involvement with the project team as well. But with that said, it is very important to get your vision, and to get your vision, we can do it in many different ways. I am happy to return to do a workshop with you all to get your vision. We could do it in collaboratively with the project team. However mechanism the project team can get your understanding of what overall vision of the Council is, then that is the most important.

Councilmember Chock: Okay. Thank you, Chair.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: Good morning. If you have already addressed this, I apologize. But as you were talking, I was thinking. Is there discussion about mandating a long-term financial plan during the budget process? The State requires, I think, a six (6) year financial plan when they submit a budget. So, are we thinking something along those lines, or are you going to be suggesting that, or is this just a "it would be nice to have a long-term plan and let us work on it," or we are going to be required to do that? So, when you present a budget to the Council, there is a four (4) or six (6) year plan budgeted out.

Ms. Fu: A long-term financial plan is a recommended best practice for GFOA. We recommend organizations adopt this because it sets an understanding of any imbalances, future imbalances, that an organization may face, and identifies strategies or helps start discussion of strategies to augment that type of risk. With that said, a lot of organizations what they do is they have a long-term financial plan that is regularly updated annually, and it is presented before a budget process. So, you are understanding what your risks are and you are taking action for the budget year in order to mitigate those risks. So, it is an ongoing cycle. Typically, long-term financial plans are five (5) to ten (10) years. We some that are three (3) years, and that is perfectly fine. It just depends on the year range that the organization wants in terms of the long-term financial plan.

Councilmember Hooser: So in your experience with municipalities like ours, is it a requirement to have a balanced long-term financial plan? If you are plugging in expenses, tax increases, and whatnot, and you have bubbles that pop up down the road, it has to be balance at the time of approval of the budget?

Ms. Fu: The long-term financial plan is comprised of all of the financial policies that the organization has.

(Councilmember Kagawa was noted as not present.)

Ms. Fu: If the organization has a financial policy for a balanced budget or whatever definition of balanced budget it is, then the financial plan monitors that. Are we adhering to it? Yes or no. If we are not, why not, and what are our strategies or what ways can we do to help ensure that we do balance?

Councilmember Hooser: I understand the policies, but my experience with the long-term financial plans is spreadsheet. It is year 1, year 2, year 3, and year 4. We have leases coming due, we have retirement bubbles. We have different actions, and the budget approval process was based on looking at that whole six (6)

year process, and you could not pass a budget unless at the end of it, there was black ink all the way around the bottom. Is that what we are thinking about doing here for the County of Kaua'i? Maybe the Director of Finance can address that.

Mr. Shimonishi: I am not necessarily sure that is that we are thinking here, but rather to have a guiding principle or principles in a document that everyone agrees to, that these are best practices and how do we try to adhere to them as best as we are able to. I think that is my take on it, at least.

Councilmember Hooser: So, if it was the Council's will, if you would, to mandate that there would be an ordinance or a Charter Amendment or something like that to require that kind of budget presentation as we move forward I supposed?

Mr. Shimonishi: That would be my understanding.

Councilmember Hooser: Yes. Okay. Before I let go, are you able to advise what that looks like with other examples of other Counties possible that operate this way and then maybe some sample ordinances and that type of thing?

Ms. Fu: Yes. We will definitely draw examples. We are still trying to learn a lot more about the organization and the risks that you folks have. I want to find examples that best fit your organization that we could reference from.

Councilmember Hooser: Okay. Thank you. Thank you, Chair.

Council Chair Rapozo: I just have a couple of questions. Ken, we have been an active member of GFOA for quite some time now, I mean, that little award or seal we get on our audits and the CAFR every year?

Mr. Shimonishi: I believe it is twenty-one (21) years consecutively being awarded on the CAFR, correct.

Council Chair Rapozo: So, I am assuming...

Mr. Shimonishi: We have been a member for a while.

Council Chair Rapozo: ...we have been a member of GFOA for at least twenty (20) plus years.

Mr. Shimonishi: Well, yes. It precedes my...

Council Chair Rapozo: Well, because GFOA does not give you that little award if you are not a member, right?

Ms. Fu: You can apply for the award. Yes, you can.

Council Chair Rapozo: Do you know if we are an active member or if we have been an active member?

Ms. Fu: You folks have certainly been an active member. You folks participate in our trainings to gain an understanding of the different best practice areas to perform a lot of the finance functions. So, we know your organization very well and we have a good working relationship with you.

Council Chair Rapozo: As you describe what you folks can do, and I am assuming that a lot the workshops and a lot of that would be in addition to the forty thousand dollars (\$40,000) contract. I cannot imagine forty thousand dollars (\$40,000) is going to cover if we wanted three (3) or four (4) workshops throughout the year.

Ms. Fu: I am here for forty thousand dollars (\$40,000) for the three (3) workshops. We want to make sure the success of an organization. If it takes ten (10) workshops, I will be here for ten (10) workshops.

Council Chair Rapozo: All for that same forty thousand dollars (\$40,000)?

Ms. Fu: Yes sir.

Council Chair Rapozo: Pinch me.

Councilmember Yukimura: That is the kind of consulting services that we need.

Council Chair Rapozo: A lot of what you described is almost similar to an audit, would you agree? I mean, as you are looking into risk. There are some similarities that I see.

Ms. Fu: Some similarities in terms of maybe a performance audit.

Council Chair Rapozo: Yes.

Ms. Fu: So how the organization is...

Council Chair Rapozo: That is exactly what I am talking about. Not a financial audit, but a performance audit.

Ms. Fu: Correct, so how is an organization performing. But where we differ is audits can make strong recommendations. They can make findings. I am making recommendations. This is what GFOA thinks that the County should move forward with, here are some policies we recommend, here are some specific target levels we recommend, and that is where we differ from a traditional audit.

Council Chair Rapozo: But the fact finding is similar. Obviously you need a set of factual data.

Ms. Fu: I need information, yes.

Council Chair Rapozo: And a lot of that is contingent of whether or not you get that from the Administration or from the Council or from whomever you are assessing.

Ms. Fu: If you ask me to come here, I have a strong inclination to say that you will give me the information to help me to perform such analysis.

Council Chair Rapozo: Okay. The intent of the Administration is as GFOA does their work, and for the public, GFOA is a very well-known organization as it relates to governments. I do not know if there is anyone else that does what you do. But is the Administration's position, at this point, to implement the recommendations as set forth? I guess for me, I do not want to go through the exercise, come back with all of these recommendations that may cause some opposition from whether the Mayor or the Council, but is that something that the Administration is looking at actually getting a new baseline, starting new and using some expert recommendations and moving forward, which may involve some drastic change in the way we do business?

Mr. Shimonishi: I think one of the key steps or a couple of key steps in the process is to get the policy adopted by the Council as well. It is my responsibility. We surely will of course, listen to what the experts say and use our own practices. But yes, that would be the intent to use what is coming out of this product.

Council Chair Rapozo: Thank you. Any other questions?
Councilmember Yukimura.

Councilmember Yukimura: Yes. I am proud to say I was Mayor when we won the first Certificate of Excellence, and that was after a one million three hundred thousand dollars (\$1,300,000) embezzlement. So, our Departments worked really hard and have been working hard since to win that certification. My question is about, and thank you for your willingness to help us with the vision seeing how important that is. The issue is not just a vision of the Council, but would be you available to do a Mayor-Council vision process?

Ms. Fu: Absolutely. It is a collective vision. If no one is on the same page, we are not moving forward very well in the long-term. We are having conflicts so that we cannot resolve issues when we need to resolve issues, and that puts us in jeopardy. But for the short-term to address issues in a timely responsive fashion, it puts us in a condition where we cannot appropriately think about the future, right, because we are stuck on what our debate is currently. So, how GFOA can help in making sure this collaboration happens, we are happy to assist. This sets the forefront of what the organization really values. So, everyone's input is needs; Council, Mayor, Departments, and the community.

Councilmember Yukimura: The Chair asked where this was like an audit. An audit identifies where there are waste. Waste could be identified as a risk, right? It is my observation that this County has difficulty in good problem solving, project feasibility, and project planning. Are those areas that you help Counties look at?

Ms. Fu: In evaluating project feasibility and project planning, yes. In terms of capital projects is what I am assuming.

Councilmember Yukimura: Yes.

Ms. Fu: Yes. We have a lot of best practices in regards to that. So, how do you prioritize capital projects and how do you think about them in terms of your capital improvement planning documents. So, not looking at just the actual acquisition of an asset, but what are the long-term maintenance and how you should include that within your long-term capital budget.

Councilmember Yukimura: After you make these recommendations, as you said, it falls in the lap of the Council and the Mayor to actually adopt and implement those recommendations. Do you offer help in the implementation part?

Ms. Fu: The implementation part to be honest, it is really within the organization. We definitely make recommendations on how to facilitate it to make sure that the policies are actually being maintained. So, examples are always putting the policies at the forefront. Whenever we are starting a conversation like the budget conversation, what are our financial policies and what is our outlook? Putting those policies within the documents that we live by, so the budget document. Any kind of other decision making documents that the County may have, putting those at the forefront so it bring it to light and attention. Whenever we are making a decision, this is what we have think about.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: Thank you. Councilmember Chock.

Councilmember Chock: Just to follow-up on this discussion. Do you have any recommendations on how to gain compliance on policies driven from this document that we are proposing?

Ms. Fu: The long-term financial planning process is really about monitoring the compliance within your policy as well. So, what we recommend is every year or every one (1) to three (3) years that the organization, typically the long-term financial planning document is maintained with the Department of Finance. So, checking to see if we are in compliance or are we not, and putting that to the attention of the public. So, some organizations, they publish it on their website. So every year, there is say long-term financial plan to show the health of the organization, and then also presenting it in conjunction with the budget documents as I said earlier, so we know what our state is currently before we think about what next year holds.

Councilmember Chock: Thank you. Thank you, Chair.

Council Chair Rapozo: Thank you. Any other questions? If not, thank you very much.

Ms. Fu: Thank you.

Council Chair Rapozo: Do not leave because I am not sure what is going to come up. We have public testimony. I do not know if anyone in the audience is wishing to testify. Mr. Bernabe. Do we have speakers signed up? No? Mr. Bernabe.

MATTHEW BERNABE: Matt Bernabe, for the record. For forty thousand dollars (\$40,000), I guess we are getting a really good deal. It is about time too. But I think we should triple their budget and have them really look into how to make the bus profitable by expanding either the size of the buses, the routes, and everything encompassed. Also, I think is a perfect opportunity to talk about...I did not hear anything about new financial drivers. Since I last saw you folks, I went to the Federal Farm Bureau, the United States Department of Agriculture (USDA) Farm Bureau. I had to put a stop to this language that I keep hearing, that we cannot use riparian water for farming. Nobody had the answer, not the Water Department, nobody.

Council Chair Rapozo: Matt, I have to stop you there.

Mr. Bernabe: I understand, but this is about financial drivers, right?

Council Chair Rapozo: No. Stop his time. This is about the GFOA helping us create a financial plan.

Mr. Bernabe: And I think this is germane because I did not hear anything about...

Council Chair Rapozo: Hang on because they are not looking at that. They are looking at policy of how this County will move forward when it comes to finances. So, the specifics as far as drivers, this is not...

Mr. Bernabe: Well, let me refine my testimony.

Council Chair Rapozo: Please.

Mr. Bernabe: I think that we should pay them more to expand the scope because they do not really have a clue on how to get us out of this problem. They have a clue how to make us run a little bit more efficiently as a County entity. I understand that. But if we are just looking for Capital Improvement Project (CIP) moneys and how to use them better, I do not have all the language, but from what I have just seen, I understand this is a great need. I am not dogging what they are doing. I think it needs to be bigger. I think it is not holistic for the County of Kaua'i. I think our plan should be modeled to go to the rest of the Counties as a State plan because we just heard testimony recently on the tourist industry that we physically cannot get more people in for the tourist industry because there are not enough planes. So, we need our County to be in part of this plan to press the State to get more flights to have competition. This is holistic in our financial plan. I disagree if you shake your head. But if you folks cannot see this, I think this is the future. You folks can shake your heads all you like, but this is the reality. We need to have a new financial driver. If we are at a quagmire with how many people we can bring in as tourists and we heard it officially on your record, I just heard him testify. We physically cannot get more people in. Hey, this should be included in our financial long-term discussion. I am sorry. If you do not find it germane, that is your *kuleana*. I think it is very germane. Very germane. Thank you.

Ms. Fountain-Tanigawa: Chair, we do have...

Council Chair Rapozo: Councilmembers, the non-verbal communication is just as impacting as verbal communication. So, I would ask that we not shake our heads and make faces when the people are testifying. Please control that. That is not proper. That is disrespectful. Yes.

Councilmember Yukimura: Mr. Chair, if we are able to ask questions, then we can clarify...

Council Chair Rapozo: Councilmember Yukimura, no.

Councilmember Yukimura: ...the motion.

Council Chair Rapozo: Let us not go there.

Councilmember Yukimura: Sorry.

Council Chair Rapozo: Let us not go there. I am just saying...

Councilmember Yukimura: It is true.

Council Chair Rapozo: I am just saying that is disrespectful when someone is speaking and you are shaking your head. Next speaker.

Ms. Fountain-Tanigawa: The next registered speaker is Alexis Boilini.

Council Chair Rapozo: I will take the non-registered speakers after the registered speakers, Glenn.

ALEXIS BOILINI: Hi, I am Alexis Boilini, citizen of Kaua'i. I just wanted to point out something, an observation I just made. It might be a good idea to have these people come on the island. In 2000-2005 Kaua'i paid that one hundred ninety thousand dollars (\$190,000) in order to report how the County of Kaua'i Comprehensive Zoning Ordinance (CZO) update framework for what we are going to talk on next to do a study on the island and homestays and so on and so forth. It was a sixty-eight (68) page report that when this issue came up in March and I brought it to the attention of the Council and the Planning Department, they never even seemed to remember that this study was even done, which I had said was a really great...it was a real organized study.

Council Chair Rapozo: Ma'am, I am going to have to stop you too because the item on the agenda is the long-term financial plan, not the CZO.

Ms. Boilini: Right. Well, because it costs money and this costed money.

Council Chair Rapozo: Okay, but that...

Ms. Boilini: As a citizen, I am wondering do you really want to spend the money on that when this was spent and not used.

Council Chair Rapozo: Okay, that is valid.

Ms. Boilini: That is perfect, correct?

Council Chair Rapozo: That is valid testimony.

Ms. Boilini: Okay. Thank you.

Council Chair Rapozo: Thank you. Anyone else?

Ms. Fountain-Tanigawa: No further registered speakers.

Council Chair Rapozo: Mr. Mickens.

GLENN MICKENS: Thank you, Council Chair Rapozo. For the record, Glenn Mickens. I thank our Department of Finance for their fine presentation. I thought it was very good. I definitely agree with Council Chair Rapozo and Councilmember Yukimura. On this team, we should have a member of the Council on it. Councilmember Kaneshiro would be the perfect fit being a Certified

Public Accountant (CPA). Also, with the County Manager being highly considered for our government, it would be very prudent to make this a part of any long-term financial planning. Their total presentation of a long-term planning, as I said was excellent.

(Councilmember Kagawa was noted as present.)

Mr. Mickens: But hey, it is going to take some time putting all these things together. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Discussion? Councilmember Yukimura.

Councilmember Yukimura: Yes. I want to commend the Administration, Ken, our Managing Director, and the Mayor for embarking on this. Welcome and thank you to GFOA and Elizabeth. It is one part of our visioning process that did work. It was part of our vision, and that the Administration is stepping forward to implement the vision is good. I think this will be of great benefit to the County and I look forward to the process. If this works well, I think we can expand the use of GFOA, but this is a good first step, and I think we should do it first well and then look at expanding it. That is all I want to say now. Thank you.

Council Chair Rapozo: Thank you, Councilmember Hooser.

Councilmember Hooser: Yes. I think it was a good presentation also. I just want to reiterate I believe we need to mandate a long-term financial planning process as part of the budget. My experience, it seems like every budget we do, it is always what are we going to do? There is this cliff we are going to fall off of and if we plan four (4) years out, we would know where the potholes are literally, as well when retirement bubbles are going to happen and when different things are expected, and we can plan accordingly rather than confront a crisis every year. I would look towards looking for some models to mandate to require the Administration to do a, whether it is a four (4) year or six (6) year financial plan that balances with projections as part of the budget process. I think would be a good thing. But this is a good step in that direction. Thank you.

Council Chair Rapozo: Any other discussion? Councilmember Kagawa.

Councilmember Kagawa: Yes. Thank you. This is going to be a tough job. The County is in serious financial trouble at this point. I think we have six million dollars (\$6,000,000) or eight million dollars (\$8,000,000) in reserve and we have anticipated salary increases exceeding that. Basically, we are at a deficit if you look at next year's salary increases. It is going to be a tough job and a lot of reason why we are in that position is because the State has capped our Transient Accommodations Tax (TAT) for the past four (4) years and we have lost over fifty million dollars (\$50,000,000) from the State being greedy, and basically taking the County's share. How do we overcome that? I hope you can help us with some advice as you look to other successful municipalities that you represent. I think the Mike White, the Chair from Maui, is adamant about getting that TAT back and that would

help financially, but it is not a certainty. It is a tough job, and I thank you for trying to help us and lead us to a long-term plan.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock: Thank you, Chair. I feel validated and heard after two (2) budgets. I am really thankful to our budget team and the Administration for taking this first step. I think it is really important. But first things first. The discussion about economic drivers and financial drivers, I think is an important one, one that is connected but also separate, I think. The other thing about having a plan, I think, is super important. We have got to have the plan. But we need implementation, we need follow through, and that is why I want to focus as this is developed. I think that too often we do move into this direction, but we really need to be willing to take this body of information and put it into action. I am excited to learn about what those steps are so that we can help supported them. Thank you, Chair.

Council Chair Rapozo: Anyone else? I am sorry the Council is in discussion. First timer? Councilmember Yukimura.

Councilmember Yukimura: As we heard, long-term financial planning is a best practice. I am not sure about mandating it. I do not know that the requirement that the State have a long-term financial plan has made anything better at the State level. They are in far worse shape than we are. Their pension fund is dramatically underfunded. The State keeps taking the TAT because they are in terrible financial shape and they cannot meet their budgetary obligations. It really does come down to implementation. First of all, adoption of good policies, but then abiding by those policies and doing the discipline that it takes during budget time to follow those policies. I think that is going to be on us, but I am glad that this process is going to give us a good foundation for defining best practices and principles of budgeting that we can then follow and implement.

Council Chair Rapozo:

Thank you. Councilmember Kualii.

Councilmember Kualii: Yes, I just wanted to again say thank you. I am really happy that we are going through this process. The young lady from GFOA seems committed and passionate. I am excited about the work that she is going to do for us. As far as the vision, I do not think we need to revisit that. I think we are pretty clear what our vision is. I thought the shared goals/responsibilities workshop with the Mayor went fine. We got several items out of that. I do not have it in front of me, but I think the County, much like an individual family person, head of a household, we just need to take care of the basics. The people want us to take care of the roads, the traffic, and public safety. In those phrases about doing more with less, and of course practicing fiscal responsibility and discipline as Councilmember Yukimura talked about, and also saving for a rainy day. We have to be prepared. We have to have a reserve fund when the next hurricane comes and creates all kinds of damage to our County infrastructure. We have to get out there and get it taken care of. We cannot assume that the next hurricane will be like the last. That was so long ago. We had a different cultural mentality then. We may not have everyone stepping forward and doing volunteer work to take care of what the County needs to take care of. The County needs to be prepared to take the lead and to ensure the safety of our people especially in a time like that. This is very important work and I am very excited that we are doing it.

Council Chair Rapozo:

Councilmember Kaneshiro.

Councilmember Kaneshiro: Thank you for the presentation. I do think it is very important to have proper policies set especially for the future. Yes, our budget process looks like we are only looking at one (1) year every year and it is like, okay, we got past that one, let us forget it. Then we get to the next year and the budget for that year. I am looking forward to being a part of the conversation. If you want to send me an invite, I will try to make the meetings whenever it is. Just getting this process started and doing what you are doing is already a step forward from where we are. I am excited and look forward to being a part of this process. Thank you.

Council Chair Rapozo:

Councilmember Kualii'i.

Councilmember Kualii'i: I just want to add that as the Vice Chair of the Budget & Finance Committee, I am happy to back up our Chair in any meetings he could not make, I will fill in his place. Thank you.

Council Chair Rapozo: Thank you. Anyone else? If not, thank you to GFOA for helping us out. The reason for me suggesting that we have a Councilmember as a part of that team is in Hawai'i we have this ridiculous Sunshine Law. The Committee Chairs often meet with individual Councilmembers, which Jade may not be familiar with. Jade is a great Clerk, and I would expect that she would remain on that team in addition to the Committee Chair. I have no doubt in the capability of our Clerk, but I also believe that when we are having these type of discussions, and you named pretty much everyone in the Mayor's Administration and left out one (1), what I believe is a very key component, is a Councilmember. So, that is all I am suggesting. At least that way, if some issue comes up that the Committee Chair is aware that Jade might not be aware of, it can be addressed at that time and not wait for weeks of deliberation or dialogue and then all of sudden we find out that three (3) weeks ago it was discussed or last month it was discussed. That is all I am saying. Just to be inclusive. If it is a collective effort, then it should be a collective effort. That is all I am saying.

If you followed this for any length of time, you have noticed that I have gained weight. My version of the GFOA and my weight gain is my doctor. She is the expert. She tells me what I need to do. She tells me, "Mel, cutout the sugar, cut out the rice, and exercise thirty (30) minutes a day." Great plan. Do you know what? If I did that, it would work. But I do not do it. I love my rice, I love my sugar, and I hate to exercise. So, this is what you get. I guess my point is that, and this goes to the earlier testimony from the lady who came up. Exactly on point. Sorry I had to stop you because it was more a CZO discussion. It is useless if we do not implement. I think Councilmember Chock's concerns, I think everyone on this table is concerned that if we are going to go through the motions and get these recommendations, that we implement. The GFOA, in my opinion, are the experts. They have touched municipal organizations throughout the Country and we should learn from that and we should take advantage of that and implement. That to me, is vital, otherwise you just end up fat, literally. In the government, we end up with a fat budget and really no direction because I think what you have heard from many of us, every year when we get the budget, it is. It is how do we get ourselves out of this hole? What do we have to do to get ourselves out of this hole? Real simple. We can raise taxes. I am looking to GFOA to come up with some recommendations that are meaningful and long-term. I would ask Councilmember Hooser to look into the mandate because that just makes sense. Why would you not have it? I think GFOA could offer the annual updates or the annual review or maybe every two (2) years, whatever we can afford. I am not sure what it costs. But I think the key is number one, we have acknowledged the fact we need some help. I have to say Ken, since you came, we have seen a lot of changes. We have seen a lot of changes in reporting. We have seen real number

presentations and I think I have made that comment numerous times that when Ken became the Director of Finance, all of a sudden we really got the snapshot where we were really at and I was oh, my gosh. Ken has been working very hard and this is just another example of the leadership. I appreciate that because we do not know it all. The seven (7) of us and the Administration, we are not experts in all that we do. So, we welcome the help and we really do. I mean that because I think as Councilmember Chock just said, two (2) years. I think he was surprised. Every one of us get surprised when we come into the job and we look at the budget and we are going, how are we doing? We basically just duplicate ourselves every year. How do we stay afloat because we have two (2) year terms, as Councilmember Yukimura said? The budget process is not a very long one. We have a very short period of time. Think about it. Two hundred million dollars (\$200,000,000) is a lot of money, and we have a short time to kind of digest all of the information and come up with some sort of budget that makes sense. Often times it is doing what we need to do without thinking long-term. This hopefully will change all of that. I am looking forward to it, and I hope the people can appreciate that. Thanks again, and we look forward to hearing from and your organization going down the road. With that, the motion is to receive.

The motion to receive C 2015-298 for the record was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Thank you very much. Next item.

Ms. Fountain-Tanigawa: Chair, it brings us back to page 1. C 2015-295 will be taken at 11:30 a.m.

There being no objections, C 2015-296 was taken out of order.

C 2015-296 Communication (11/13/2015) from the Civil Defense Manager, requesting Council approval to receive and expend grant funds from the United States Department of Homeland Security, via the State of Hawai'i Department of Defense, in the amount of \$685,000, to continue to enhance the capability of State and local units of government to prevent, deter, respond to, and recover from threats and incidents of terrorism, as well as "all hazards" catastrophic preparedness initiatives: Councilmember Kualii moved to approve C 2015-296, seconded by Councilmember Kagawa.

(Councilmember Chock was noted as not present.)

Council Chair Rapozo: Any discussion? Does anyone have any questions for Civil Defense? Okay.

There being no objections, the rules were suspended.

Council Chair Rapozo: Civil Defense, you can come up. I do not know if there are questions for the individual Departments.

Councilmember Kagawa: Council Chair, process question?

Council Chair Rapozo: Yes.

Councilmember Kagawa: As we go along the agenda, my feeling is that if there is no rush on some of these items – I am not talking about this one, I am

talking about further items, that if we are going to have thorough presentations and discussion, it should be done in Committee.

Council Chair Rapozo: It will be done.

Councilmember Kagawa: My recommendation is that we keep to that process. Thank you, Chair.

Council Chair Rapozo: Thank you. I agree with that. If it is going to be anything beyond a five (5) minute discussion, if it is a clarification, that fine. If not, it is going to go to Committee. If it is time sensitive, you need to let us know. With that, Councilmember Yukimura.

Councilmember Yukimura: Thank you. If you could give your name.

ELTON S. USHIO, Civil Defense Manager: Elton Ushio, Civil Defense Manager.

Councilmember Yukimura: Thank you, Elton. From the looks of the figures you have put forth, four hundred thousand dollars (\$400,000) is going to be toward the P25 system, that is our emergency communication system. Is that correct?

Mr. Ushio: Three hundred fifty thousand dollars (\$350,000) goes toward P25. Those are our interoperable compliant radios, either portables or mobiles. That is connected with our multi-phased upgrade of the 800 MHz radio system.

Councilmember Yukimura: Below that, you have this inoperable communication equipment. So, that is also part of the system too, is it not?

Mr. Ushio: Interoperable communications equipment based on satellite technology. So, it is a redundant system. The top line of those two (2) items goes for the Kaua'i Police Department (KPD) and the Kaua'i Fire Department (KFD) mobile command and communications vehicle.

Council Chair Rapozo, the presiding officer, relinquished Chairmanship to Councilmember Kagawa.

(Council Chair Rapozo was noted as not present.)

Mr. Ushio: The bottom is for a fixed system in the emergency operation center.

Councilmember Yukimura: If the hurricane were to, like it did in 'Iniki, pretty much decimate our ground communication system, we have a satellite connection?

Mr. Ushio: If the vehicles or satellite dishes survive and we still have our generator or vehicle power, that will be one (1) means of backup communication.

(Councilmember Chock was noted as present.)

Mr. Ushio: We also have other means and other satellite based units. But those are more robust systems that we are proposing here.

Councilmember Yukimura: So, we have several levels of redundancy than?

Mr. Ushio: Yes we do.

Councilmember Yukimura: Okay.

Mr. Ushio: If you would like more detail, I would ask our Telecommunications Officer to come up because he has lots of information.

Councilmember Yukimura: No, not right now. Does this mean we are on track with our upgrade of the 800 MHz system?

Mr. Ushio: We are on track. We have completed two (2) phases and the third phase is pending the release of State CIP funds from the Governor, which we have already requested and we are working directly with Budget and Finance on that.

Councilmember Yukimura: And these items we just talked about are supplements or ancillary to the system?

Mr. Ushio: Yes. The P25 radios, the mobiles and the portables, are going to be part of that system on the user end.

Councilmember Yukimura: Okay. Thank you very much.

Councilmember Kagawa: Further questions. The Chair is back.
Councilmember Hooser.

(Council Chair Rapozo was noted as present.)

Councilmember Kagawa returned Chairmanship to Council Chair Rapozo.

Councilmember Hooser: Good morning. Just a few quick questions. The training and exercise program, it says "training," and then there are four (4) different lines there. It totals to about sixty-five thousand dollars (\$65,000). Is that for personnel for training?

Mr. Ushio: Yes, personnel training.

Councilmember Hooser: Is this to hire someone to train?

Mr. Ushio: What it is, is the first item and the second item have to do with more in-depth training into National Incident Management System (NIMS) or Incident Command System (ICS) and sort of how we operate on all levels first-responders and government.

Councilmember Hooser: Who does the training is the question? Where does the money go?

Mr. Ushio: The money will go to a number of things. If we hire trainers and bring them to Kaua'i, for example, it can go to that. It can also

go towards supporting travel to outer islands because all jurisdictions have adopted ICS and NIMS. So often times, other jurisdictions in the State will give us slots if we can send our people to those trainings.

Councilmember Hooser: Okay. The sixty-five thousand dollars (\$65,000) is the total of that would be...because it is twenty thousand dollars (\$20,000), fifteen thousand dollars (\$15,000), fifteen thousand dollars (\$15,000), and fifteen thousand dollars (\$15,000). So that would go towards either hiring trainers or travel to go to training as opposed to paying for a staff person?

Mr. Ushio: Yes. None of it goes towards paying for a staff person.

Councilmember Hooser: Okay. Then the same question basically for the second to the last item of forty-six thousand dollars (\$46,000), the grants management. Is that for planning? Is that for in-house?

Mr. Ushio: We actually have allocated funding for grant support staffing, and that is what that is. The position has been vacant. It is currently vacant, but we are hoping to fill it in the future using grant funds, not County funds.

Councilmember Hooser: Okay. So that forty-six thousand dollars (\$46,000) is not intended to support an existing warm body, as they say, person in the slot, but to add a person?

Mr. Ushio: Yes. In the past, some who have been on the Council for a while may recall that we had multiple grant staff under Homeland Security grant. We have not had that recently. The most recent was Chelsie's position, which thanks to your support, was converted to Civil Service about a year ago. What we are hoping to do is have additional support staffing using grant funds and not County funds.

Councilmember Hooser: And this person would be writing more grants? What would the person be doing?

Mr. Ushio: The way we envisioned the position is to actually help with the management of existing grants because we find that actually involves a lot more work than seeking new grants.

Councilmember Hooser: Right.

Mr. Ushio: We already have Chelsie's position on staff. But as you know with our small staffing and with the very busy hurricane season we had this year, we had to ask Chelsie to help in other areas as well like Emergency Operations Center (EOC) operations and training exercise, much of which is supported by the fund she manages anyway.

Councilmember Hooser: Alright. The final question, if I could. Is that the total cost of that person or is there additional employee costs, medical retirement, and all of those kinds of things?

Mr. Ushio: It should cover everything.

Councilmember Hooser: It should cover everything? Okay. Thank you.

Council Chair Rapozo: I have a follow-up before I go to Councilmember Kualii. Forty-six thousand four hundred forty-seven dollars (\$46,447) I would assume is the salary.

Mr. Ushio: Yes.

Council Chair Rapozo: And how is the fringe benefits only three thousand five hundred dollars (\$3,500)? Is the benefits not almost like fifty percent (50%) or forty-eight percent (48%)?

CHELSEIE SAKAI, Grant Coordinator: This was based off an eighty-nine (89) day hire.

Council Chair Rapozo: So, they do not get any...

Ms. Sakai: Not the full benefits.

Council Chair Rapozo: Okay.

Ms. Sakai: When we did the original budget, it was for an eighty-nine (89) day position.

Council Chair Rapozo: So, it is a contract position?

Ms. Sakai: Yes.

Council Chair Rapozo: Okay. Thank you. What happens if you do not use that or hire that position or get a contract? What happens to these funds?

Mr. Ushio: We are able to reallocate or re-budget if need-be because sometimes when you budget these items and the actual cost varies or if you do not utilize it, then to a certain degree, we are able to re-budget within the preexisting...

Council Chair Rapozo: Do we have these funds every year for that position? That was Chelsie's position in the past?

Mr. Ushio: Yes.

Council Chair Rapozo: So, last year we had the funding and we did not hire?

Mr. Ushio: No.

Council Chair Rapozo: What did we use the money for? That is always a concern for me. When the Administration comes, they say, "We need this much" and hey, we are not going to use it for that. We are just going to use it for something else. I kind of want to know ahead of time. If we are asking for money that we know we are not going to use, then I do not think that is proper either.

Ms. Sakai: Last year's money that was originally allocated for the position went towards training to send our people to O'ahu and Maui to do more of the all hazards incident management team training.

Council Chair Rapozo: Are we going to hire a contract position or are we not?

Mr. Ushio: There is a process we have to go through even if it is grant. We need to go to the Vacancy Review Committee. Our intent is to do that and to try to hire the position for additional staffing. Of course it has to be to support the grant, but just to have additional staffing in the agency because we are so small already.

Council Chair Rapozo: When do you expect to have that person hired?

Mr. Ushio: We hope to do it within the course of this grant. So hopefully within the next six (6) months or so.

Council Chair Rapozo: But this is for one (1) year? This would be like a twelve (12) month hire? So, you are not using all of the money for the position?

Mr. Ushio: What is the performance period, Chelsie?

Ms. Sakai: The performance period on this grant goes to August 31, 2018.

Council Chair Rapozo: Okay. Councilmember Kuali'i.

Councilmember Kuali'i: It is just a small amount in the request, twenty thousand dollars (\$20,000), but what is the whole community in the resiliency program or item and what is a CCP meeting?

Ms. Sakai: CCP is a Citizen Corps Program, and that is where Community Emergency Response Team (CERT) falls under. So, all of these funds are part of the CERT program, their meetings, and their supplies.

Mr. Ushio: CERT acronym is Community Emergency Response Team.

Councilmember Kuali'i: Community Emergency Response Team.

Mr. Ushio: Which we work with the Kaua'i Fire Department who actually implements the program.

Councilmember Kuali'i: I know that is a pretty important and hopefully growing program with new teams coming online. I know we are working to put a team together for Anahola. What is the grant history on this? The request there is for six hundred eighty-five thousand dollars (\$685,000) for this year. Did we get any of these kinds of moneys from Homeland Security last year?

Ms. Sakai: Last year was roughly about the same. 2012 was probably our lowest year and then it started to creep back up again. So, it has slowing been increasing every year.

Councilmember Kualii: Okay. Thank you.

Council Chair Rapozo: Any other questions? If not, thank you. Any public testimony on this?

Mr. Bernabe: Matt Bernabe for the record. I would just like to say I do not have the financial breakdown like you folks have. But I just want to point out that I am all for Civil Defense. But when I see funds coming from Homeland Security, it really questions what do we give up when there is an even that is a natural disaster or what kind of rules go with this money? That is what I want to know. The other thing I have a problem with is that somebody who has lived through a couple hurricanes right here on this island, that is to me, more prevalent of a threat at this point in time. They start this request for this money with the first thing on the list "to prevent, deter, respond to, and recover from threats and incidents of terrorism, as well as..." I would rather have hurricanes first on this list. Maybe I am just nitpicking here. I really want to know, what is the underlying thing that we have to give up for these funds? I mean, every time you take Homeland Security money, I am pretty sure there are stipulations. If I am old and dying and there is a hurricane coming, I do not want to be arrested because I want to die in my house. These are simple things that we can joke about now, but that might be an underlying rule in accepting this money to run all Civil Defense. I am just saying. I do not know. I would like to see more. I did not see anything on this black and white. It is all terrorism, but on the breakdown, I hear civilian corps, CCP. I do not hear more breakdown on this terrorist side. How much money is going to the terrorist side versus the hurricane side of this? You folks have the numbers. Make that public. I think that is the bigger discussion here.

Council Chair Rapozo: Anyone else?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Further discussion? Just for the public's information, and Matt brought it up. This grant is specific to Homeland Security as it relates to anti-terrorism and so forth. The Civil Defense operates on other funding for hurricane assistance and natural disasters. There are obviously restriction with every grant and if you have any questions, I think Elton would be more than happy to help you with that. With that, the motion is to approve.

The motion to approve C 2015-296 was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Next item.

C 2015-297 Communication (11/16/2015) from the Director of Human Resources, transmitting for Council information, the November 15, 2015 report, pursuant to Section 19 the Operating Budget Provisos of the County of Kaua'i for the Fiscal Year 2015-2016, which includes new hires, transfers, reallocations, promotions, and vacancies for the period July 1, 2015 to November 15, 2015: Councilmember Kagawa moved to receive C 2015-297 for the record.

Council Chair Rapozo: Hold on. I think there has been a request to have this deferred. Councilmember Kualii.

Councilmember Kualii: I am going ask for consideration of a deferral. I submitted several questions to Human Resources (HR) and they need a little bit of

time to respond. The primary gist of the questions, I will point out to my fellow Councilmembers, is I think there are five (5) different reports. But if you look at the vacancies report, the final column has "Fiscal Year 15-16 estimated salaries savings." What I am basically asking for Human Resources to do, if they can, perhaps with the Department of Finance's help, is to include that kind of information for the other reports as well; the promotions, the reallocations, and the transfers. This proviso from the budget process, I feel that along the way, not just at budget time, we need to stay on top of the potential for budgetary savings and to be knowledgeable of any increases or decreases to the budget based on personnel changes. So, the other thing is a totaling column so that if you look at vacancies. Again, that report, the last column "fiscal estimated salary savings." The report goes on for four (4) pages. If we had a total on that fiscal year column, the dollars was all in there, but if we had a total, I think we would probably see a significant amount of money. It is just for us to be aware of as far as along the course of the year, not just at budget time. I believe that Personnel would like two (2) weeks to work on that. I am going to be asking for a deferral consideration.

Council Chair Rapozo: Okay. Is there any other discussion before we entertain the motion to defer? Councilmember Yukimura.

Councilmember Yukimura: Would it be useful to refer it to Committee?

Council Chair Rapozo: That is what I had originally suggested, but the Committee Meeting agenda is very full on the next Committee Meeting. We are going to keep it at the Council Meeting. If it starts to go long, then we can make another referral. Hopefully we can get this down relatively quickly though. Councilmember Kagawa.

Councilmember Kagawa: I would like to follow-up as well. I think ourselves and the public should kind of get a grasp on just when these step movements are for a firefighter from I to II because if I look at it, it just appears as though fifty-three thousand dollars (\$53,000) to seventy-two thousand dollars (\$72,000). I am wondering is that just a jump just from moving up one (1) step? I would like some clarification from Janine or whomever because I cannot think of any other job where you get a twenty thousand dollars (\$20,000) raise. If it is because the State is allowing these negotiations to occur, then I think we need to take a stronger step in trying to change that so the County gets more say as to what these jumps are going to be. If that is true, I just think it is ridiculous and that goes for the police too. The jumps in their jump movements just look really out of whack with what we can afford. Thank you, Chair.

Council Chair Rapozo: Thank you. Councilmember Kualii.

Councilmember Kualii: I think Vice Chair Kagawa's question shows that when you show the new change, the current position title, the current salary rating, and the current annual salary range. So, that fifty-seven thousand dollars (fifty-seven thousand dollars (\$57,000)) to seventy eight thousand dollars (\$78,000) is the range of the new position, I believe. But it would be interesting and good information if we knew the old versus the new and the difference like we do in budget. There are all of the variances.

Councilmember Kagawa: If I could elaborate? For a school teacher, because I know, when we go up in pay, we go up about one thousand dollars (\$1,000). You go from forty-eight thousand dollars (\$48,000) to forty-nine thousand dollars (\$49,000).

Council Chair Rapozo: A year.

Councilmember Kagawa: A year. I am just wondering. If normal government is small pay increases, then why is police and fire...

Councilmember Kualii: I think you are misreading the range.

Councilmember Kagawa: Okay.

Councilmember Kualii: We need more information.

Councilmember Kagawa: Alright. Thank you.

Councilmember Kualii: Thank you.

Council Chair Rapozo: You took the words right out of my mouth Councilmember because I am looking at reallocations. I do not know if you folks are looking at that. Is that what you are looking at, the reallocations? What I would like to see is the reason for the reallocations because if you look at this sheet, and Councilmember Kualii, thank you for being vigilant asking for these. Normally these things just goes through. But when you look at some of these reallocations, reallocations means I am going to take one of our staff positions, send it over to HR, and change the duties and the scope so we can get a different rating. But some of these, and these were effective all relatively recently from August, September, October, and November. Civil Defense from sixty-seven thousand dollars (\$67,000) to one hundred fourteen thousand dollars (\$114,000). Records Management Analyst, that is our position. We had an increase. That one is like a promotion, I am assuming. A step increase. Geographic Information System (GIS) Analyst for Real Property Assessment from fifty-seven thousand dollars (\$57,000) to eighty-four thousand dollars (\$84,000). Tax Clerk from sixty-seven thousand dollars (\$67,000) to one hundred fourteen thousand dollars (\$114,000). Real Property Appraiser from fifty-seven thousand dollars (\$57,000) to eighty-four thousand dollars (\$84,000). This is not small increases. There is more. In Human Resources, one (1), two (2), three (3), four (4) positions went from forty-seven thousand dollars (\$47,000) to seventy thousand dollars (\$70,000). Two (2) positions went from forty thousand dollars (\$40,000) to sixty thousand dollars (\$60,000). I would like to see the explanations for those. Those are substantial. A lot of these Departments were told that we are going to make them more efficient, but now I am getting very concerned that no one gets that kind of raises. Nobody get those kind of raises. Anyway, if you can help me. Maybe you know the answer.

Councilmember Kualii: I just want to make the same comment I did to Vice Chair, that it is not showing both information. In this instance, for reallocations, it is saying the previous salary rating and the previous annual salary range. I believe that is a range and not a change. But unless you know the current versus the previous, and in this instance they gave us the previous and the other transfers they gave us the current. Unless you see both and the difference, then you do not know the estimated changes to the budget. For the vacancies, they gave us the estimated savings to the budget. In this instance if it is a reallocation it a new position that costs significantly more than the current position, then it is an added cost to the budget as opposed to a savings. I think that having that final column which shows us that information is what is going to be most useful for us as we think about the budget year round, not just at budget time.

Council Chair Rapozo: Okay. I apologize. I did misspeak. I read it wrong. Thank you for that clarification.

Councilmember Kualii: Okay.

Council Chair Rapozo: All the "oohs" and "ahs" in audience, you can take that back. But without that final column, it is very difficult to see. Thank you for that clarification. Staff, if we can make sure we get that information as well. Thank you. Any further discussion? If not, can I get the motion?

Councilmember Kualii moved to defer C 2015-297, seconded by Councilmember Kagawa, and unanimously carried.

Council Chair Rapozo: Motion carried. Next item, please.

Ms. Fountain-Tanigawa: Next item is on page 2.

C 2015-299 Communication (11/17/2015) from the Planning Director, transmitting the Planning Commission's recommendation to amend Chapter 8, Kaua'i County Code 1987, as amended, to clarify the process whereby homestays are reviewed in the Commercial Districts, Resort Zoning Districts, and Residential Districts; and establishes standards under which homestays should operate.

Ms. Fountain-Tanigawa: This is also in relation to Proposed Draft (Bill No. 2609).

Councilmember Kualii moved to receive C 2015-299 for the record, seconded by Councilmember Kagawa.

Council Chair Rapozo: Thank you. This will be up later. It will be in the afternoon. So, if anyone is here to testify on the Homestay Bill, this is an opportunity for you to testify on that.

Ms. Fountain-Tanigawa: Chair, we have two (2) registered speakers.

Council Chair Rapozo: Okay.

There being no objections, the rules were suspended to take public testimony.

Ms. Fountain-Tanigawa: The first speaker is Lorna Hoff, followed by Catherine Covern.

LORNA HOFF: Hi. My name is Lorna Hoff. No, I am not new. I am kind of new to this. *Aloha* Council, and Happy Holidays to all of you. It is very festive out here. Basically yesterday, which would have been the 1st of December, I read an article in The Garden Island Newspaper that was referring to the meeting today. I am just there basically to ask you some questions or just give you some thoughts in your process of making these changes. I am not going to name any names because there were several Councilmembers that were quoted and whatnot. I am just taking it as a generalization that it was mentioned that we wanted to limit homestays and homestays should not be allowed anywhere else but in the Vacation Destination Areas (VDAs). I just think, yes, that is all well and good. But I was a Bed & Breakfast (B&B) operator on an agricultural piece of land. My question is why am I treated differently than the Transient Vacation Rentals (TVRs) were? In Hanalei, I think that is where the hug problem was. We go out there and there is

nothing but TVRs where owners do not live in the home, these people are not residents of Kaua'i, they do not raise their family there, their children do not live there, and they have really no connection except that house which is a monetary piece of their retirement, I guess. The B&Bs that are on agricultural land that are running are, or were running, are very minute. I just feel when we read in many cases that they should have been grandfathered in like the TVRs were. Then I just had another thing talking about the moneys would stay. The residents that work in the hotels, I understand the residents spend the money. These people work in the hotels, but when you think about the money the hotels take in, the owners or operators of these hotels do not live on the island. These people are based in the mainland, Asia, or Europe and that money goes to them, and that money is then disbursed not on Kaua'i where B&B, the money is disbursed on Kaua'i.

Council Chair Rapozo: Ma'am, I have to stop you there. You can come back.

Ms. Hoff: I can come back?

Council Chair Rapozo: For a second run.

Ms. Hoff: For a second run.

Council Chair Rapozo: Thank you.

Ms. Hoff: Okay. Well, thank you for listening to me.

Council Chair Rapozo: No, thank you. Next speaker.

Ms. Fountain-Tanigawa: Next speaker is Catherine Covern.

CATHERINE COWERN: I am Catherine Covern. Lāwa'i Valley resident. I just wanted to get on record my objection to clause Section 8-18.1 of the new ordinance prohibiting homestay operations on agricultural lands. It states in the 2000 General Plan, the draft Tourism Strategic Plan also advocates allowing alternative visitor accommodations within agricultural lands as one part of a strategy for supporting agricultural-based tourism. The concept is that visitors can enjoy an agricultural setting providing revenue to enable the landowner to maintain large land areas and less profitable agricultural use. To me, it is very troubling when Kaua'i begins to make the decisions based on mob rule rather than the rule of law. Bill and I have been farming on Kaua'i for twenty-five (25) years, both on a small scale on our property and on a grand scale with our tree farm. In Section 5.2 of the 2000 Kaua'i General Plan rationale for the policy, concern was stated that the two (2) Knudsen trusts were undergoing petition with lands divided among the trust beneficiaries. New owners seeking a return on their real estate investment may opt for large land residential development through subdivision and Condominium Property Regime (CPR) of the agricultural land. The long-term leases that Bill and I have with them have prevented this and preserve this land in agricultural for the foreseeable future with little or no return to us to-date. I again, stress that this would not have been possible for us to do without the support our family has had from a homestay business. So, I have a question to the Councilmembers. How is eliminating our homestay business helping to support agriculture? The other question that I also had was in Section 8.18-2(b) about the existing septic systems. There came out a list of Tax Map Keys (TMKs) with Rule 120 that would be appropriate to that law. Properties that were not on that list apparently are not causing a problem. So, I am a little concerned with a broad brush that every property would have to have an

upgrade to their septic system. So, that is really all I wanted to say. My concerns remain that by eliminating homestays on agricultural land, we really are attacking an opportunity on the island. I was happy to see what the Kumu Camp that Councilmember Kualii recognized the benefit of some of the vacation rental properties for different organizations. That is all I really have to say.

Council Chair Rapozo: Thank you.

Ms. Cowern: Should I push that?

Council Chair Rapozo: No, you can leave it on. Anyone else?

Ms. Fountain-Tanigawa: Next speaker is Alexis Boilini.

Ms. Boilini: Hello. I am Alexis Boilini. I am concerned of the character of the Counties actions in cherry-picking Ordinance No. 864 without consideration of the proportionality of the government action to protect the public good and the devastating financial effects on longstanding property owners and their constitutional rights. The Council recognizes the need to develop a clear policy regarding B&Bs, as you say here, and vacation rentals. The General Plan recommended implementing an action to amend the CZO to facilitate the permitting of existing non-conforming alternative visitor accommodations. It goes further in correctly stating that the Council complied with the policy of the General Plan and grandfathered existing single-family transient vacation rentals that registered and met prior use requirements established in Article 17 of the CZO. It goes on to state only a portion of Ordinance No. 864 that the Council further found that the Bill does not apply to Bed & Breakfast units and homestays, and it is the intention of the Council to address these units in a separate manner after establishing a regulatory framework for single-family transient vacation rentals. Homestays are presently regulated through use permit processes. It leaves out a very important part of that paragraph. Section 14.2.8.2(b) which states, "The County shall enact clear standards and permit processes for regulating alternative visitor accommodation structures and operations in Residential, Agricultural, Open, and Resort zoning districts." That has been completely left out until just a statement is made on the second page that homestay operations are prohibited in the agricultural and open zoning districts. So, it never addresses the fact that previously Ordinance No. 864 promised that they would enact clear standards to permit Bed & Breakfasts and homestays on agricultural land. Also, there was a lot of confusion on the last statement that says, "Homestays are presently regulated through the use permit process." You have to ask, if there was a use permit process, then where are those use permits? We still have not seen one (1) use process that came to a permit. We all went in and asked for them. We asked them over the years, over and over. When are we going to get permitting for Bed & Breakfasts, and we were told we had to wait. We do have proof of that. We have the media release by the Planning Department and the Mayor on April 7, 2007 that said "This does not pertain to Bed & Breakfast. We will deal with you later." We have a question and answer sheet that was given out by the Tax Department that says, "This does not pertain to you. There is not a process for you yet." This is something that was a very small case that can become a very big case in the future. We are talking about budgeting there, and I think that maybe we could stop this here somehow and come to some kind of meeting of the minds.

Council Chair Rapozo: Next speaker. Ms. Parker.

ALICE PARKER: Alice Parker for the record. I read the article in yesterday's Garden Island Newspaper. I thought that the Bill and the proposed

action was very clear and very comprehensive and most of us citizens go along with it. I would say that you need to establish to abolish the non-conforming B&Bs and TVRs because some think that they inherited the right to have a B&B or TVR. I do like the language that says the owner must be on the property. Thank you. I think you are doing a terrific job.

Council Chair Rapozo: Thank you. Next speaker. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Further discussion? Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I just want to state to the owners of the B&Bs and homestays that this is not a personal issue. For me as a Councilmember, I have to look after the greater good of the whole island. For me, the overwhelming support is that we have to prevent what has happened with Hanalei, Hā'ena into the other areas. I was not on the Council when the TVR issue happened. I wish I was. I probably would have stopped it, but I was not here and some of them have their permits. We are trying. We are going to get an update as to what the Planning Department as to what they did with the low hanging fruit from Joan Conrow's abuse chronicles. We wanted to go after the low hanging fruit, see what could be done, take action, and see if that would, I guess, scare off some of those non-conforming people that the message would be out there that we are coming after you too. I see the good in some TVRs. I read some of the letters that come in from tourists that enjoy the B&B experience. I appreciate that. Honolulu has a big problem. Maui has a huge problem. The mainland has some huge problems. But the problem with Kaua'i and with other Counties in Hawai'i is that you have people that do not do it the right way and just do what they want. I think for Kaua'i, we have a chance at this point to try and control it a little bit. For me, I want to just follow my inner feelings that overall, I think homestays and B&Bs should be in the VDA. That is my only concern. We will see where it goes, Council Chair Rapozo. I think the main thing is that when we come out, we have a process that is as fair as possible. I do not know if that is possible. As she stated, there are TVRs. Why do we not allow everybody that had B&Bs? That would seem like the fairest, but in my mind I feel like just because a mistake was made, does not mean we have to continue the mistake. So, that is where I am at. Thank you, Chair.

Council Chair Rapozo: Thank you. Anyone else? Councilmember Yukimura.

Councilmember Yukimura: I am very sorry the Planning Department did not find a way to grandfather long-term existing homestays. I do not think we can just allow them continuously into the future. But for those families that have been doing it for many years, who do live here, and who are contributing to the economy and the life, it seems very unjust to me. I have not fully read this Bill through. It is passing on first reading, and there will be public hearing on January 13th. So, I look forward to getting more testimony about how to handle this very complex issue. We are going to have to distinguish the Airbnbs and all of those kinds of things. It is a very difficult subject and I hope we are all committed to really learning about it. It is very unfortunate that we cannot question people who come to testify under our rules because it is really important that we understand the circumstances that each person is speaking from, and we are not allowed to do that at this time. I think it

takes away a very important function of Councilmembers to be able to question and understand better. I think that really handicaps us and the listening public as well. It makes our job much more difficult to get to good policy, which we are all obligated to do.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock: Thank you, Chair. I am looking forward to tackling this moving forward to Committee. I have been looking at the process that was laid out previously in trying to get our long-term B&B and homestays to continue. My understanding is there is a small handful that still have not gone completely through the process. But I am inclined to see what we can do to ensure that they are heard and what needs to happen for them to continue. These are long-term residents who are operating and trying to operate legitimately. Moving forward, I think the message has been clear from the community, that they want to have the power and ability to keep homestays as well as TVRs in the Visitor Destination Areas. I think that is the proper route for this County to move forward in order to...I mean, I much rather look at expanding the VDAs or looking at where they should be and plan that way collectively. The third thing is I think that what we need to do is look at standardizing some of this for our Planning Department and our County in terms of the differentiation of TVRs and Bed & Breakfasts. What I am talking about specifically are the fees and perimeters. They need to be consistent so that it is easy for our Planning Department to process these. Again, I am looking forward to further discussion and see what we can do to help everyone concerned. Thank you.

Council Chair Rapozo:

Thank you. Councilmember Hooser.

Councilmember Hooser: I sort of say I look forward to the discussion, but not really. It is our deeded obligation and it needs to be figured out, but it will not necessarily be fun the whole way through. I want to state that I share Councilmember Yukimura's concern. I think objectively in looking for a way to honor those people, who have in good faith, conducted Bed & Breakfast operations or homestays over the years and have not had complaints from their neighbors or the public and have reached out. We have had this discussion before. I am not going to get too far into it. But I would like to find a way to honor those people and those small enterprises as we move forward.

I also have to echo the frustration of not being able to ask questions because I think during the last time this was on our agenda, that is how we found out things. That is how we found out that there really was only a few of these operations. There is not hundreds of them. There is a relatively small out. Then, we found out that I believe there was only one (1) on the north shore, if I remember correctly, and we are talking about Bed & Breakfast as opposed to Transient Vacation Rentals. We found out that many of them have never had complaints and we found out that they reached out repeatedly to get guidance from the County on this. We would not have found out any of that or much of it I should say, without the ability to ask some questions. I do not know if we could find a work around for that as we move forward. But I would encourage this body to think about that. To me at then of the day, it all comes down to moderation. If there is twenty (20) houses on my street and all twenty (20) of them have a Bed & Breakfast, then that is a problem. But if there is a handful of them, generally speaking, it is not a problem for me. I talk to people all the time that call me up that come to Kaua'i, where can I stay? Where can I find a Bed & Breakfast? When I travel, my wife always says, how do find a Bed & Breakfast? It is an important part of the visitor experience and the visitor mixture of accommodations. I think working together, taking our time, and not reacting to the mob mentality as

was mentioned earlier, we can find a way to reach some common ground and separate this very important component from the Transient Vacation Rental hurricane, if you would, of contentiousness and negative impacts because they do have negative impacts. I believe we should have been really tight with them, but this is a different animal. I think we should remember that as we move forward, and hopefully we can find again, some common ground and have a reasonable solution to this issue. Thank you.

Council Chair Rapozo:

Thank you. Councilmember Kagawa.

Councilmember Kagawa: Council Chair Rapozo, I have a request that we have to take a caption break. But I would like to see if the members could agree that we go straight to the Bill for First Reading and then that way we can get all of our people that came for the homestay issue out before lunch.

Council Chair Rapozo:

We can take that after the caption break.

Councilmember Kagawa:

Thank you, Chair.

Council Chair Rapozo: Any other discussion? Let me just say that this is an opportunity to craft legislation going forward for B&Bs. I know a lot of the issues of TVR are going to come up. That TVR issue back in 2008, 2007, 2006, or wherever we started that and the revisions that followed, really was an embarrassment. I mean, I think there were a lot of valid points and I think it was a combination of a lot of things, pressure, lack of political will, or horrible legal advice that forced Councilmembers to vote. Councilmember Yukimura and I were gone for a two (2) year period and during that two (2) year period, that law got watered down quite a bit. It is just horrible what has happened. I think the low hanging fruit that was promised, what has been done with TVRs? It makes it very difficult now when you are going to try to pass legislation on B&Bs and the B&B owners are sitting back, saying, "My gosh. You folks cannot even enforce the TVRs." There are violations everywhere you look in the TVR neighborhoods and they know that. I can tell you we have been investigating a couple of them, not this Council, but myself with our Legal Analyst, and it is horrific what we are finding. Where is the enforcement? It is not there. It is very difficult to move forward with B&B legislation when we are going to basically be saying, "We are going to come after you folks, but the TVRs, it is so widespread. We are just going to let them go." No. So, that has to be remembered as we move forward on this process. B&Bs are different from TVRs. There is no doubt about it. They serve a different purpose. But we cannot forget the people that live around B&Bs as well. This Bill is not just to create an opportunity for people to run B&Bs. No. That is not what this is. This is legislation that is going to create an opportunity for people to have B&Bs without causing problems for the neighbors that live there. It is not just an empowering legislation so we can go and create B&Bs. It is not. It is how do we all coexist? We have to find that balance. That is going to be the challenge. We have to be open-minded as we move forward and what is the best interest of the island and not just one side.

The State law, and I know one of the speakers talked about Agriculture and Open lands. The State law prohibits overnight accommodations on agriculture land. That is a State prohibition unless you go through the State permitting process, and you have to have a County agricultural tourism ordinance, which we do not have. I mean, it is a State law. It is not a County law. I underestimated what the General Plan says, but nonetheless, a General Plan is created and passed with the assumption and expectation that State laws will be followed. I think it is important. A lot of people get their information off of The Garden Island Newspaper. I would not consider that

as being gospel. If you have questions, again, call our office or call the Planning Department. They just wrote an article the other day about the property tax thing and said we passed an amendment that never passed. It caused all kinds of problems in the community. Councilmember Yukimura caught it and forwarded the E-mail. I do not know if they are here today, but my gosh. It caused all of these problems in the community. E-mails, what are you folks doing raising this? No. It did not pass, but they said it did. I guess my point is just do not read the paper and get all pissed off because they said something. Call our office, call the Planning Department, call Real Property Tax and get the information. I sent them a request to do a correction. They never did. Not in today's paper anyway. It is quite embarrassing. We have a tough road ahead. It is going to be a challenge. I believe that we can get it done and at the end of the day, come up with a product. In the meantime, force the Planning Department to do their work as well in the enforcement of TVRs. With that, the motion is to receive.

The motion to receive C 2015-299 for the record was then put, and unanimously carried.

Council Chair Rapozo: With that, we will take a ten (10) minute caption break. When we come back, we will go straight to the Bill so those of you that are here for the Bill can testify or make comments. Thank you.

There being no objections, the meeting recessed at 11:05 a.m.

The meeting reconvened at 11:17 a.m., and proceeded as follows:

Council Chair Rapozo: Can we go to the Homestay Bill, please?

There being no objections, Proposed Draft Bill (No. 2609) was taken out of order.

BILL FOR FIRST READING:

Proposed Draft Bill (No. 2609) – A BILL FOR AN ORDINANCE AMENDING CHAPTER 8, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO HOMESTAYS: Councilmember Kualii moved for passage of Proposed Draft Bill (No. 2609) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 13, 2016, and referred to the Planning Committee, seconded by Councilmember Kaneshiro.

Ms. Fountain-Tanigawa: Chair, we have registered speakers. The

Council Chair Rapozo: Can we have the first registered speaker please?

Ms. Fountain-Tanigawa: The first registered speaker is Tina Sakamoto, followed by Sam Lee.

Council Chair Rapozo: Tina.

There being no objections, the rules were suspended to take public testimony.

TINA SAKAMOTO: Aloha Chair, Vice Chair, and Councilmembers. My name is Tina Sakamoto and I will be speaking on behalf of a group of Kauai residents; Sam Lee, who is here today; Barbara Robeson and Caren

Diamond are off island; Julie Souza; and myself. We would like to thank you for this opportunity to offer testimony regarding the homestay proposed draft Bill No. 2609. We have in support of crafting a comprehensive homestay ordinance. Currently, we are doing additional research in the following homestay areas: definitions, application and renewal, permit processing, restrictions and standards, notifications, and compliance and enforcement. We will provide our research analysis to the County Council at the Committee level and will be glad to meet with you to review our collaborative analyses and to assist in moving this issue forward. Again, *mahalo* for allowing me this time to offer our group testimony on the homestay proposed Bill No. 2609. Thank you.

Council Chair Rapozo:

Next speaker.

Ms. Fountain-Tanigawa:
Sam Lee.

The next speaker that we had registered is

Council Chair Rapozo:

Mr. Lee.

SAM LEE: Mr. Chairman and members, Sam Lee, for the record. There was discussion in yesterday's Garden Island Newspaper as well as on the floor today regarding the idea that perhaps B&Bs should be restricted or confined to the VDA. If that thought were to gain traction with this Council, I personally believe that it is highly likely that idea would receive our substantial public support. Thank you.

Council Chair Rapozo: Thank you. Any other registered speakers? Anyone in the audience wishing to testify? Mr. Bernabe.

Mr. Bernabe: Matt Bernabe for the record. I do recognize the need for this industry because there are tourists that do not want to stay at a hotel. I do recognize the financial contributions given to some members in the community and the peripheral businesses around these communities that have Bed & Breakfasts. But I would like to point out that just recently we heard from the tourist agency that is in charge of working with the State Hawai'i Tourism Agency (HTA). I would like to see them involved with making a standardized criteria, at least a minimum because I happen to see the high-end versions of these things and I really like the model. They are really good models. However, when I sit here and listen to a testimony that a woman having a five (5) bedroom house, she has five (5) of them rented out, and the Chair asks her, "Well, where do you sleep" and she says, "In the kitchen" well, I am mortified. I do not want that. That is not what I want to see this industry go to. Yes, I support making the standards, I support the actual industry, but there has to be some checks and balances. That is all I would like to put out there. Oh, one (1) last thing. I am sorry. Really fast. Make them in their own neighborhood for real property tax. If they are next to me, I do not want my property tax to go up because they started a business, and that goes for anything, actually.

Council Chair Rapozo:

Thank you. Mr. Taylor.

KEN TAYLOR: Chair and members of the Council, my name is Ken Taylor. We are talking about Bill No. 2609, is that right?

Council Chair Rapozo:

Yes.

Mr. Taylor: Thank you. For the most part, I agree with the Bill the way it is written. But it does seem to me that a couple of things need to be addressed, and they were talked about a little earlier. One is grandfathering people that have been doing this kind of thing properly in the past should be grandfathered. On page 3 of the proposed Bill under Section 8-18.2(c) in the middle, it talks about notification of neighbors. I think it says "adjacent neighbors," but I think it should be within five hundred (500) feet of the homestay property. The other thing that seems to be missing, and I think it was Council Chair Rapozo that raised the issue earlier, was enforcement. I think enforcement on any ordinance is very important to be included in how that is going to be dealt with and what the procedures are. Other than those three (3) concerns that I raised, I am in favor of the Bill. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?
Please.

Ms. Hoff: Okay. Am I waiting for the green light?

Council Chair Rapozo: No. Go ahead.

Ms. Hoff: My name is Lorna Hoff. I would like you to all know I am out of the kitchen. I know the Garden Isle is all up to the reporter and that kind of things. One of the things though, I know it is been booted around that B&Bs or homestays are taking guests from hotels because the hotels are vacant. Well, it really depends what month you ask the hotel what their vacancy is because November everywhere is low vacancy. But if you ask a hotel in December, January, or February, they are going to probably tell you they are full occupancy and there is not even a rental car available on the island. Then, the other thing was putting a cap on applications. I do not know if you do. Now I have had to go to the Commission meetings and Planning Department. Mr. Hull brought up that the cap did not seem to be an issue because they were only getting two (2) to three (3) applicants maybe a month. This big thing that we were they thinking oh, my gosh. There is going to be a stampede and they do not have the workforce. It is not evidently an issue if I understood it right. When I go to these meetings there are very few people that are applying. Then, there was another thing in the amendment that you wanted to have on an annual basis with this renewal application having the property be inspected, and we are talking about financial problems and budgets now. I was just wondering who is going to be paying for somebody to do that? It sounds like that would be rather time consuming. Basically, I would like when you are doing this reworking of everything, I think it would behoove everyone if you had some B&B owners talk to you or maybe you all went to a B&B for a couple of nights and actually have that experience because I do not understand how someone can make a judgment on something if they have not experienced what it is. I do appreciate you listening to me and I know what you are going through. As a very long-term resident, I hope things turn out positive for everybody. *Mahalo.*

Council Chair Rapozo: Thank you.

Ms. Boilini: Hi, Alexis Boilini again, Marjorie's Kaua'i Inn. I also wanted to bring up the definitions. I guess I was not in the room when that was brought up. I would really like to see two (2) separate definitions, one for Bed & Breakfast and one for homestays because they are completely different. They really are different and should be treated differently. They should both be allowed, but the difference between Bed & Breakfast and homestay is that the Bed & Breakfast actually serve a breakfast daily. So, there is a lot of interaction with the

people that are staying at a Bed & Breakfast, a real Bed & Breakfast, the classic Bed & Breakfast. Also, I wanted to mention in the State language, there is language that could be used by the Council or the Planning Department. I think it is 205-46 or 12. They also talk about variances. You can have a variance for slopes and steep slopes, topography, and unusable agricultural land. I hope you would consider that. You talk about the greater good, Councilmember Kagawa. You talk about the greater good, but you have to compare the greater good with the damage that your perceived greater good does to the public as opposed to what...

Council Chair Rapozo: Ma'am, direct your comments to the Chair and not personal individual Councilmembers.

Ms. Boilini: Oh, okay. I did not know that was a procedure. I would say to all you then, that the common good needs to be proportionate how it affects us owners and our financial losses. I hope you will really think about all of that. We were thrown into contested case without even being able to present our cases by the way, which is costing us a lot of money and a lot of time. We were automatically sent into the contested arena. So now the burden of proof at that point, hopefully will be more on the Planning Department to show us where the reasonableness is in their decisions. Hopefully we can work with them on that and prevent it from going to the next step, which for all practical purposes we are talking about budgeting here. It would be very costly if all of these cases do go on because when you are talking about property rights and civil rights and a business, I for one, am going to protect not only my business, but also my civil rights. I will go as far as I have to do that. Thank you for all you do.

Council Chair Rapozo: Thank you. Anyone else wishing to testify? Please.

Ms. Sakamoto: Good morning. My name is Tina Sakamoto. Previously I offered testimony on a group level, and this is my personal testimony. As my general statement of the proposed draft Bill No. 2609, I think it is a start, but it is in no way comprehensive. I think it is vital to address the preservation, the character, and integrity of residential neighborhoods regarding homestay commercialization in residential neighborhoods for transient visitors and this negative impact on the much-needed long-term rental housing for Kaua'i residents. That is my general statement. Thank you.

Council Chair Rapozo: Thank you very much. Anyone else wishing to testify? Please.

EDDI HENRY: Hello. I am Eddi Henry and I am the owner of the Palmwood Inn in Moloa'a. I am a Bed & Breakfast and I have been open since 2006, in which I purchased the property. This ongoing subject matter with the homestays is very upsetting. I moved here and bought the property. My background is mortgage banking investment. I retired from Wells Fargo and my retirement project is to have established a Bed & Breakfast. I have a thorough and grounded understanding as for twenty-five (25) years I have dealt with Planning Departments, zoning, permitting, lending, and mortgage. The way this whole thing is playing out with the homestays and TVRs in terms of legally and precedence, none of it is making sense. There seems to be this real vile strain through the community against homestays, very discriminatory, and it is a hot topic. I think a lot of it is ignorance and confusion. A big part is people continue to put us in the same category as vacation rentals, which are non-owner occupied properties. The Bed & Breakfast and the homestays, we are a few and far between on the island and we do not make any

impact as a non-owner TVRs that are in multitude that you described in Hanalei and Hā'eana and why there is opposition in those areas because of the deluge of TVRs. Unfortunately, the homestays, the few that we are, are pulled into that. Additionally, about this agricultural land. First of all based on my professional experience, which involves city planning, lending, and so forth, the Homestay Bill here does not make any sense. First and foremost, yes, there needs to follow a zoning. So, you do have commercial, you have residential, and as every place else on the mainland, residential should be just for residential. There should not be commercial businesses running in residential. The agricultural is a different situation. I need to stop. I have thirty (30) seconds? For example, I am on agricultural open land, which I bought my home for one million six hundred thousand dollars (\$1,600,000). It is not a farm. It cannot be farmed. It is on top of a hill. I bought it for the purposes of establishing a high Bed & Breakfast, and it cannot be a farm. The State allowed CPRs...

Council Chair Rapozo: Hold on real quick. Is there anyone else wishing to testify? Anyone else wishing to testify on this for the first time? You have three (3) more minutes.

Ms. Henry: The State has zoned me as agricultural open. They just kind of threw things in there. I think Councilmember Yukimura had touched on how they just threw all kinds of rural...that is another thing. We are really a rural area by definition, not agricultural. Agricultural is a commercial definition like Grove Farm Company, Inc. We are not agricultural. The State allowed CPRs and the building of the so-called...which is a prejudicial term that I hear "gentleman farms," making it seem like we are mainlanders who came in with money and bought the property and so on. But the bottom line is I worked hard for my money for twenty-five (25) years in my industry to buy my property at one million six hundred thousand dollars (\$1,600,000), and there is no way that I can turn a home for one million six hundred thousand dollars (\$1,600,000) into farming lettuces, pineapple, or whatever. It does not make any sense. The Hawai'i soil test says, "unsuited for farming," forty percent (40%) to seventy percent (70%) slope, rocky, erosion. It does not make any sense. If any place there should be a Bed & Breakfast is on agricultural or rural land where you are not affecting your neighbors. People that have homes in residential neighborhoods should have a peaceful domain that there is not commercial operation next to them or within their neighborhood. But agricultural should not be looked at for farming nor when the State allowed CPRs and for homes to be in the multi-million dollars, can you then turn around and say, "Oh, you folks need to contribute to affordable housing." That horse left the barn a long time ago. There is no way I can buy my property for one million six hundred thousand dollars (\$1,600,000), rent out my home, and contribute to affordable housing. That is not my responsibility. That is the responsibility of the County and that is the responsibility of the State to take land from Grove Farm Company, Inc. or whatever. That is their responsibility to provide affordable housing to the community. It is not my responsibility as an individual in which I worked hard for my money to buy my home, in which I should be able to continue to have revenue as long as I am not disturbing my neighbors. I am admired by my neighbors. My place is...thirty (30) seconds.

Council Chair Rapozo: When the yellow light goes on, you have thirty (30) seconds.

Ms. Henry: Matt is my forester, my caretaker. So he is very familiar with the land.

Council Chair Rapozo: Thank you. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo:

Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I have some questions that I will have staff write to the Planning Department. These are some of the questions I want you to be ready for Ka'aina. How many TVRs, B&Bs, and Aibnbs are there in the VDA, Residential, and Agricultural areas; legal and illegal? The illegal would be an estimate. Where are they located by district? Regarding constitutional rights, I believe if you are in the VDA, you have a constitutional right to operate a tourist operation. But if you are not in the VDA, I do not believe you have a constitutional right to do so. I think we have a process in place to do so. It is not a constitutional right. Residential areas are for residents or people renting that work here and live here. That is my answer. What do you expect me to do? Well, if you cannot get your permit, then you have the option to rent it out long-term to someone. I do not believe that we can have zonings for residential and agricultural and just do what you want because you make money. It is not how we should do things. We have zoning made for a reason. People like Sam, you, have over fifty percent (50%) tourists operations in his subdivision. The Haraguchi's have about ninety percent (90%) in Hanalei of TVRs and what have you. Haraguchi's were quiet about it, but look what happened to them. They went from fifty thousand dollars (\$50,000) in 1950 to seven million four hundred thousand dollars (\$7,400,000) paying over twenty thousand dollars (\$20,000) in property taxes working for the County. How are they going to pay that? Our job here is, okay, going forward with these tourist applications and what have you outside of the VDA, how do we prevent that from happening? Do we just do nothing because we have a few good B&B people that we see their story and we agree that they have no problems with their neighbors? Once you open it up for one (1), it opens it up for everybody. We just cannot have tourist operations all over the place. It is not reasonable. It is not fair. I was born and raised here. That is what you think is right. I am entitled to my opinion. I think VDAs are where the tourists should be staying, period. I am going to remain on that track until I hear some numbers and some facts as from the Planning Department. They have to get a grip on what we have out there. How can you approve more tourist operations when we are not even sure what is out there? It is like taking more responsibility and you cannot even do your job now. I mean, I have some concerns overall as far as what is the future of Kaua'i going to look like. My kids, my kids' kids are all going to live here. Fifth generation. We are going to stay here forever. How do I do my job here so our kids will be okay over here and they do not have to move away because they are priced out of paradise? That is where I come from, Mr. Chair. Thank you.

Council Chair Rapozo: Thank you. Anyone else? No other discussion? If not, we will be sending over some questions, I guess, to the Planning Department. I am also asking the Clerk to post an item in the beginning of the year regarding the efforts and update on the TVR enforcement because I think it is critical. I think we need to know what is going on in that arena so we do not duplicate the mistakes. I agree that it is two (2) different animals. But nonetheless, it is still requires enforcement and it still requires legislation and regulation. I will say that Civil Rights ends when the action infringes on someone else's Civil Rights. You have every right to protest in the streets, but that right does not extend to breaking windows and hurting people. So, your Civil Rights is your right until your action infringes on the Civil Rights of someone else. I think that is the balance we have to look for.

A lot was said about the agricultural lot in Moloa'a. Agriculture is agriculture. I apologize, ma'am, if your lot is not farmable. I guess you need to change the zoning. A lot of agricultural regulation coming from State law, not County law. Chapter 205 covers agricultural lots. There is some mandatory provisions in that law that has to be followed. There is a farm dwelling agreement that is required to sign when you purchase one of those lots that tells you and you agreeing to it. It gets recorded in the Bureau of Conveyances that you agree to farm. Now whether you agree or disagree with the law, that is your opinion. You do what you want. Nonetheless, if you are not happy with the law, change the law. That is a State law. The farm dwelling agreement gets violated all time over here and nobody does anything about it. Nobody even cares about it. But what the State did was because actually the State recognized the importance and the value that farming had in State because if not for agriculture, this State would not be here. If not for the plantations bringing all thing people, the melting pot ingredients, we would not be here today. The State recognized that and they passed laws to protect agriculture, and that is the law. If you are not happy with it, contact your legislative delegation and change it. But until that happens, we must abide by the law.

I always question people why would you come here and buy one million six hundred thousand dollars (\$1,600,000) house or two million dollars (\$2,000,000) or one million dollars (\$1,000,000), or whatever if you are not intending to farm because we all know you cannot make a profit on farming over here. You cannot do it, and that is where the term "gentlemen farms" came up because a lot of people came and at that time you could buy agricultural land cheap. You could buy agricultural land cheap, and you were able to build one (1) residence, one (1) structure. You could build a mansion on there and you really did not have to farm, have a horse, have a couple of chickens, grow some trees, and you have met the requirements. But again, circumventing the State law that requires agricultural activities. A lot is going to happen in this discussion. A lot is going to come out. It is not always going to be happy. But at the end of the day, we have to come up with a produce that is going to be balanced and fair. I think that is what Councilmember Kagawa is saying. As the end of the day, we have to find something that is fair for everyone. The fact you're your activity, when that activity infringes on someone else's rights, that is where government has to come in and say, "We have to fix something." That is, I guess, my point. That is what this will bring.

The public hearing will be January 13th. I am also going to ask that we have a briefing on the update of the TVR enforcement as well so we can kind of keep the two (2) items together so we understand where the Planning Department is at. I also intend to, and I cannot do it. But I want to introduce a money bill for enforcement that would be a companion bill so that when this passes, that the Planning Department will not have an excuse of we do not have resources. We are going to provide the resources so the enforcement can be done because I am sick and tired of that excuse. We do not have resources. We do not have resources. Let us pass the law, let us make everything illegal, but we just do not have the resources. We will provide an accompanying bill that will be the resources that they need so that excuse is done. No sense spend months on this thing, irritate everybody on the island, split the community again, and then come back and say, "We do not have resources to enforce." With that, roll call.

The motion for passage of Proposed Draft Bill (No. 2609) on first reading, that it be ordered to print, that a public hearing thereon be scheduled for January 13, 2016, and referred to the Planning Committee was then put, and carried by the following vote:

FOR PASSAGE:	Chock, Hooser, Kagawa, Kaneshiro, Kuali'i, Yukimura, Rapozo	TOTAL – 7,
AGAINST PASSAGE:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: Next item please.

Ms. Fountain-Tanigawa: Chair, this brings us back to the first page.

C 2015-295 Communication (11/06/2015) from Dr. Dileep G. Bal, Kaua'i District Health Officer, State of Hawai'i, Department of Health, requesting agenda time to provide a briefing on Tropic Care Kaua'i 2016.

(Councilmember Kagawa was noted as not present.)

Council Chair Rapozo: Thank you very much. Can I get a motion to receive, please?

Councilmember Kuali'i moved to receive C 2015-295 for the record, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Thank you. Dr. Bal and whoever you want to bring up with you. Welcome.

There being no objections, the rules were suspended.

(Councilmember Hooser was noted as not present.)

DR. DILEEP G. BAL, Kaua'i District Health Officer, State of Hawai'i, Department of Health: Thank you, Mr. Chair. If we may, I would like to have you, although you have the leaders of group here, it would be nice to introduce the entire planning group both from our side as well as from the military side. Very briefly, if we could have all of the members of the planning group from all over the Country quickly introduce themselves. Would that be all right, Mr. Chair?

Council Chair Rapozo: Please.

(Councilmember Hooser was noted as present.)

ALICIA LEISURE: Good morning sir. Lieutenant Alicia Leisure from the Air Refueling Wing in Topeka Kansas. I am the Air National Guard (ANG) Liaison Officer for the Innovative Readiness Training (IRT). Nice to meet you.

Council Chair Rapozo: Thank you for being here.

Ms. Leisure: Thank you, sir.

CHRISTOPHER NOE: Chief Master Sergeant (CMSgt) Christopher Noe from the 190th Air Refueling Wing in Topeka Kansa. (Inaudible).

Council Chair Rapozo: Thank you.

SUMMER BROWN: Senior Master Sergeant (SMSgt) Summer Brown from (inaudible) Air National Guard.

LEONARD RAY: Chief Petty Officer Heath Ray from San Diego, California with the 4th Medical (Med) Battalion.

JEREMY BRANDT: Commander Jeremy Brandt (inaudible) of the 190th Air Refueling Wing (inaudible).

MARCELINO MARQUEZ, JR.: Master Sergeant (MSgt) Marquez from the United States Marine Corps (USMC). (Inaudible) IRT from New Orleans.

MICHAEL CABASSA: Commander Cabassa, 4th Dental Battalion (inaudible).

(Councilmember Kagawa was noted as present.)

DENISE MONTGOMERY: Chief Denise Montgomery from the 190th Air Refueling Wing, and I will be the Non-Commissioned Officer (NCO) in charge of the IRT.

DEANTE HOUSTON: Good morning. Senior Master Sergeant Deante Houston. I am the Medical Planner from the Air Force Missouri Command.

DUSTAN HUNTER: Good morning Dustan Hunter, 4th Dental Battalion, Myriad, Georgia.

TREVOR TELMAN: Lieutenant Trevor Telman, Office in Charge (OIC), 4th Dental Battalion, Atlanta, Georgia.

Councilmember Yukimura: What is OIC?

Mr. Telman: I am sorry.

TAMRA BUETTGENBACH: Officer in Charge.

JOHN WATKINS: Chief Watkins , Pittsburg, Pennsylvania, I&I for Pittsburg for (inaudible).

Councilmember Yukimura: What is I&I?

Mr. Watkins: Instructor-Inspector.

WALTER R. ROSS, JR.: *Aloha* everyone. I am Walter Ross. I am the Deputy Sergeant for the Hawai'i National Guard. I bring you greetings from our Adjutant General, General Joe Logan. We are just so please to have this in your community. *Mahalo*.

Council Chair Rapozo: Is that all?

Dr. Bal: Toni.

TONI TORRES: Toni Torres, your public health nurse.

Dr. Bal: She is the real Commander from our side.

Council Chair Rapozo: That is what you said last year.

Dr. Bal: Yes. Next year, I am retiring. My last one is going to be in June, Mr. Chairman, somewhere between July and September depending on what the retirement people tell me I am *pau*. I am seventy (70) years old this month.

Council Chair Rapozo: Wow.

Dr. Bal: I think it is time.

Council Chair Rapozo: Happy birthday.

Dr. Bal: Thank you. Colonel Buettgenbach is their Officer in Charge to my right. Colonel Cramer is from the Pentagon in D.C., and they are the people that fund this entire enterprise. Then, they select from thousands of people who volunteer to do this from all over the United States. They select which group is coming, and they were very wise in picking the Colonel Buettgenbach as our OIC for this mission. The reason I wanted Colonel Cramer to come up was since 2012, I have been telling you that the spur that goes up Kawaihau Road from Ke Ala Hele Makalae. Yes it is coming. Yes, it is coming. I just want to say that the Department of Defense has been (inaudible). They have always had their staff ready to do this, as I am sure Doug Haigh told you at previous meetings, that the Department of Transportation held things up. Everything is working. So, that is the group responsible not only for Tropic Care, but they are also responsible for our beloved Ke Ala Hele Makalae spur going up. I am glad that is going to happen before I retire because we have been working on that a long time. Doug Haigh is a great person. He is persistent.

I am going to keep my remarks brief and then in serial order, we will have Colonel Buettgenbach and Toni discuss the details of the current mission, then if you have any questions, I would be happy to come back and answer them. If you have any questions of any of us, I will be happy to answer them. I will make some closing remarks before the questions.

Council Chair Rapozo: Okay.

Dr. Bal: Very simply, and of course, obviously we will have the Council's questions. I will try to keep it brief because I know you are running late. One, we did Tropic Care 2012. We had that at Kaua'i Community College (KCC) and the Kaua'i Soto Zen Temple Zenshuji mission. I always think that because I am a Kapa'a person. I always remember Soto Zen Temple Zenshuji mission Mission and our Hongwanji. Soto Zen. They were housed in the Hanapēpē Armory. The next session in 2014, my staff overrode my preferences of having it in my Church, All Saints again. They said, "No. It is not as good as Kapa'a Middle School," and their decision was very good. Kapa'a Middle School will be the site. KCC is our constant, and we are moved to 'Ele'ele. We are keeping the same mix. We are having the same. All of you know very well, Mr. Chairman, how this thing works. We apply to the Pentagon, and Toni, Tommy Noyes, and I applied. We have also applied for it for

2017 and sure hope we get it. I think we have a high shot at getting it. But they make the decision/announcement early next year. Basically, we have an advanced planning meeting, that is this, and then there is one in March where we look at some more logistical details in the mainland. Then in May, they will come back if Council wishes. We will have them back just before the mission. The mission is in the latter part of June. If we can have questions at the end of all our presentations, Mr. Chairman, I will now shut up and let the Colonel Buettgenbach speak her piece.

Council Chair Rapozo:

Thank you, Dr. Bal. Colonel.

Ms. Buettgenbach: On behalf of the whole team, I want to thank you folks. We have very much enjoyed your island for the last two (2) days. We visited the three (3) sites that Dr. Bal was talking about for the clinics. Very nice. Very nice of the community to give us access to those sites and so much access to the sites where we can not only do the medical care, but we can also lodge our people. So, that is great from our perspective. Like Dr. Bal said, we are going to go to Fort Dix and arrange the equipment that will be coming out. We will do that in February and then we will come back out in the second week of May, kind of relook at everything, make sure nothing has changed, and fine-tune anything that we need to. Right now, we are looking at all three (3) sites. We would provide dental, not extensive dental work, but like a physical-type dental, minor cavities, pulling teeth, not oral-surgery type of stuff; and optometry. If you remember two (2) years ago, they made the eyeglasses. We will be doing that service again. The, physicals; school physicals, sports physicals, and adult physicals. We will be doing that. We are looking at some mental health, behavioral health services as well. We need to solidify a little bit if that would be a mobile that would go between the three (3) sites. We are not sure we have resources within the services to do that at all of the sites every day. As you can see behind me when they stood up, we have different uniforms. We will have representations from all five (5) services that will be here. This one this year is going to be Air Force led. I am Air National Guard. We will be the lead for the mission. Then my unit, the 190th out of Kansas, is the lead unit as well. You will see definite representation from all of the services when we come. The dates. The clinic dates will be the 20th of June through the 30th of June, with Sunday the 26th being a shorter day. We are looking at the hours being 8:00 a.m. to 5:00 p.m. Pretty big days as far as seeing patients.

Dr. Bal: Toni, would you like to add anything? That was it. Colonel, would you care to say anything?

TROY CRAMER: Sure. I just want to thank Council Chair Rapozo and members of Council. Thank you for your leadership and vision to take advantage of the IRT program. This has been going on for a long time, and without the leadership and vision to reach out to the Department of Defense to bring in some of the expertise that you have in the room and the soldiers, sailors, and airmen will be coming back in June, this opportunity would certainly not be possible. We are very glad to be here and thank everybody for their hospitality, leadership, and vision to make this a reality.

Council Chair Rapozo: Thank you very much. We appreciate you all being here as always. I think the return for our people are just tremendous. It is just incredible. I always look forward to Tropic Care.

Councilmember Yukimura: Colonel?

Mr. Cramer: Yes.

Councilmember Yukimura: Can you tell us about the spur and the work on the spur you are going to be bringing?

Mr. Cramer: That it is more of an engineering mission.

Councilmember Yukimura: I know that.

Mr. Cramer: I wish I had more information at this time. But that is something that we can possibly get back to the members of Council later. I do not have the details on the project right now. I apologize.

Council Chair Rapozo: We will send it over because I would just have Doug give us an update.

Dr. Bal: I think that is a better idea.

Council Chair Rapozo: Yes.

Dr. Bal: Colonel Cramer is responsible for the medical side of the shop. He has several projects like ours, all medical projects that he heads.

Council Chair Rapozo: Today, I just want to focus on Tropic Care because that is what is posted. I do not want to get into the spur.

Dr. Bal: I am very careful with the County. I do what I do and I would prefer that Doug report to the Council.

Council Chair Rapozo: Yes. We will get it from him. That is what he gets paid for.

Dr. Bal: I do not want to steal his thunder.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: Councilmember Kagawa.

Dr. Bal: One (1) quick thing I did not mention Mr. Chairman. We will be having a *luau* for the leadership of the group, for all of us to thank the couple of hundred military members. Councilmembers will obviously be invited. For the record, I would just like to emphasize that there is not a blunt farthing of government money going into the *luau*. Dennis Esaki and I in our private capacity have raised the money.

Council Chair Rapozo: Thank you very much.

Councilmember Kagawa: Thank you. I have a question. First of all, I want to thank all of you and welcome you to Kaua'i. Through your time of work, I hope you have a wonderful experience with the Garden Island, the people of Kaua'i. How many approximate visits did we have last year of Kaua'i residents?

Dr. Bal: Approximate, we had about ten thousand (10,000) to eleven thousand (11,000) individuals come in.

Councilmember Kagawa: Amazing.

Dr. Bal: If you count the duplicated count, I came in to get my spectacles and I also had my teeth fixed, we had double that, about twenty-one thousand (21,000), twenty-two thousand (22,000).

Councilmember Kagawa: Do you have an estimate at to how many glasses were provided?

Dr. Bal: Glasses? Actually, I learned something yesterday from them. I always say over five thousand (5,000) glasses were given. Three thousand five hundred (3,500) glasses that were given where the person came and picked their frame and actually they gave them custom ground things with the frame they want and whatever their power was. I was wondering where the five thousand (5,000) number came from? The five thousand (5,000) number came from they had another one thousand six hundred (1,600) that they had for old people like me and I just wanted reading spectacles. They had boxes and boxes of spectacles of different sizes and different power strengths. If you add that, overall, Councilmember Kagawa, they gave about five thousand one hundred (5,100) to five thousand two hundred (5,200).

Councilmember Kagawa: I guess my second question for the public, strategy wise to avoid long waits, what is the strategy for people? Should they come early or should they maybe think about coming the second or third day?

Dr. Bal: I will you answer. But the best person to answer is Commander Toni Torres. Basically, we have tried it every which way. It sort of works and does not work. Let me tell you the four (4) factors that affect it, Councilmember Kagawa. One is, the first couple of days they get jazzed to come, and they do not. They have one (1) day to set up and one (1) day to set down. Essentially, it is about eleven (11) to twelve (12) days. Once they get to know island style, everybody puts things to the end, which drives them nuts because at the end, they are trying to leave and they are flooded. The Colonels, all of the people involved, Toni, and I have met, and that is one the things they are trying to resolve. Last year, we had a 5:00 p.m. stoppage. If anyone is in line at 5:00 p.m., then they would be taken. Sometimes these poor people were working from 8:00 a.m. until 8:00 p.m. because once you know where the system is, the Kaua'i *'ohana* are smart. They all gain the system to come at 4:45 p.m. So, then that is really not fair to these people because some of the volume is high. Another problem we have is some of the sites, they have overflows. Others are going a little light. Toni, do you want to add anything to that?

Ms. Torres: Thank you. That is a really good question because we get that all the time. Should I go early? Should I go late? As Dr. Bal mentioned when the grapevine hears it, everybody is coming the last week. By then, the lines are so long. Dental can only do *x* amount of people per day. We have heard the complaints "oh, I got turned away," or they had to go to the other site where they think they will not have that long a waiting time. We always have that concern of long waiting times and people not getting seen because of the need, and the want to go to dental, go dental. That is one of the big needs of our service. We are strategizing more with this particular group to look at the time spent with each of the clients. One of the things, too, that they were doing was doing dental cleaning. There might be a possibility that we will just focus on the minor cavities, the extractions, and doing the overall oral and seeing how we can refer out and not spend so much time on one (1) person. Then we get to see more.

Councilmember Kagawa: So, you are saying maybe less time in the intensive cleaning and trying to get more of the major stuff.

Ms. Torres: Yes. We might not do any cleanings so we can do the oral checks and see what is needed.

Councilmember Kagawa: Sounds great.

Ms. Torres: So we can see more people also.

Councilmember Kagawa: Thank you, Chair.

Ms. Torres: But no magic bullet to how to get services.

Councilmember Kagawa: I understand. Thank you.

Ms. Torres: Thank you.

Council Chair Rapozo: Councilmember Yukimura.

Dr. Bal: Mr. Chair? While she has the floor, do you mind if Toni round up anything that I forgot to mention?

Ms. Torres: I think you mentioned everything. The time was most important and the days. Again, today is our planning. So we will have more information at the mid-planning and at the final-planning. When they come back, we will be able to solidify a lot of our logistical things.

Council Chair Rapozo: Go ahead.

Councilmember Yukimura: This is just an out of the box suggestion. For the times you want people to show up or you think it might be slow, you might offer a chance to win a trip to Las Vegas for two (2)?

Ms. Torres: Yes, that is a good idea.

Council Chair Rapozo: Just put them in a Lockheed C-130 Hercules and tell them enjoy yourselves.

Ms. Torres: Yes.

Councilmember Yukimura: You would have to get somebody to donate it. But people will arrange their schedules accordingly. You can be assured.

Council Chair Rapozo: If you offer a trip to Vegas, you will get thirty thousand (30,000) people to show up. It is something about that place.

Ms. Torres: Yes.

Council Chair Rapozo: Any other questions or comments? I just want to say thank you. Again, the service that you folks provide for so many residents, and I think this year you will top the numbers. I think times have gotten a little worse financially and economically here. I think you will see a lot more participation from the public. We hope so. We want to just overwork you folks to death so that the Pentagon realizes that there is a definite need here so you get to come back in 2017,

2018, and 2019. We are really thankful for what you do every year. I know we keep saying it. There is only so much we can do to say thank you. But as you watch the people that go through the line and come out and they have their teeth. If not for you folks, these people would never get their teeth fixed, they would never get their eyes checked, and it leads to bigger problems and bigger issues. You folks have identified some medical issues in people that provided them an opportunity to go get additional care later. It is not just that one (1) visit. It is just the exponential positives that just happen from this exercise. It is a great place to do it. You get a nice place to work and hopefully get some time to enjoy. With that, we just enjoy and appreciate you folks so much, all of you here. I know there is a whole lot more that will be here. But thank you. Dr. Bal, this will be your last one. We will see about that. They will probably bring on a consultant or something.

Ms. Torres: There you go.

Council Chair Rapozo: We just appreciate you so much. Thank you very much.

Ms. Torres: Thank you for having us.

Dr. Bal: Mr. Chair?

Council Chair Rapozo: Please.

Dr. Bal: Just wondering...

Council Chair Rapozo: If you could just come up so we can catch your comments.

Dr. Bal: Just three (3) brief comments. One is to thank the County because as you know the County and the Mayor have agreed again to make the bus system free. That is the value for people to come and that is a great help from the County. The other thing is that again, on behalf of both our military partners, Toni, myself, all of us in the Kaua'i District Health Office and State partners, we are very glad of all the support. Without diminishing what is happening in the other islands, I want to try to outnumber that they do not really like to see or hear, which is Tropic Care 2012 numbers. The number we did. In 2013, they had a Maui mission and Big Island mission. 2014, we exceeded all three (3) of them combined. So, just so that we reduce any expectation, we are going to get more than what we did in 2014, Mr. Chairman. I think you need to recognize that given some of the problems in the remote location like here and we are probably going to have lesser military staff complement. I would like to depress any expectations that we are going to exceed the mission. We are all going to try and all do our best. But we will do the maximum that we can get. The last comment is part of this has been, and Toni is very well-connected in the community and many of our staff are, certainly more than an old Indian. It is very nice. Kaua'i, unlike in all the islands, this is just a community affair and our numbers are driven not just by the Department or the military. It is driven by the degree of community participation and the spreading of information. Again, thank you very much, and to go from something as important as thanking you, Mr. Fujimoto is waiting. As we do every time, I was hoping we could have a photograph with all the military people and the Council.

Council Chair Rapozo: We can do that, sir. That is a small thing that we can do. If you do not mind, if you could give us about ten (10) minutes. Is that okay for you? I do want to take up one (1) more item. Is there any public testimony

on this? Okay. We will do the public testimony, then we will wrap this up, and we will go take the photo.

Dr. Bal:

Okay. Thank you, Mr. Chair.

Council Chair Rapozo: Thank you. As we wait for public testimony, I just would say Dr. Bal, the difference between us and Maui and everywhere else this TV show is seen by millions of people on a daily basis.

Mr. Bernabe:

Hi. Matt Bernabe, for the record. I would just like to say, I have only seen these folks once. I still use the glasses. I used them in here, as I leave my glasses in the truck. I have pretty good medical. I am always in the doctor's office. I better have good medical. My wife and kids, even though we all have good medical, we go and use it. I have to say, I feel lucky that they come here. Thanks to all of you. I do not know if you are repeats or first-timers, but I will try to get in there. I will try to go more. I have to be honest. I actually do not utilize it as well as I should. My wife had to pull me by the ears to get these glasses. I was like, have it already. She says, "It is an extra one. Let us get it." I said, "Alright." Do you know what? She was right because I leave one in my truck and when the printing is small, I bring it out. Thank you. I just wanted to say, thank you.

Council Chair Rapozo: Thank you, Matt. For the military personnel, he lives in Kapa'a. So, if you are picking spots to work, you might want to go to west side or the Lihu'e one.

Ms. Parker:

Hi. Alice Parker, for the record, Lihu'e. I have gone to these Tropic Care things the two (2) times they were here. They are phenomenal. Really great. Great attitude, and knowledge. Thank you so much for coming back. Thanks.

Council Chair Rapozo: Thank you, Alice. Anyone else wishing to testify?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Rapozo: Any further comments real quick before we close this down? Again, thank you all. Thank you for your service to our Country in all of your capacities and of course, for our community here on Kaua'i with Tropic Care. What I want to do really quickly, we have an item that I want to dispose of with the Department of Public Works. It will take us a few minutes, then we will recess for lunch, and we can go and take you picture, okay? Alright. The motion is to receive.

The motion to receive C 2015-295 for the record, was then put, and unanimously carried.

Council Chair Rapozo: Motion carried. Can we take the Department of Public Works item, the Resolution so we can get the Department of Public Works out of here?

Ms. Fountain-Tanigawa:

Sure.

RESOLUTION:

Resolution No. 2015-63 – RESOLUTION AUTHORIZING THE MAYOR OR THE DIRECTOR OF FINANCE OF THE COUNTY OF KAUAI TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF HAWAII, DEPARTMENT OF HEALTH FOR A LOAN FROM THE STATE WATER POLLUTION CONTROL REVOLVING FUND FOR THE GAS COLLECTION & CONTROL SYSTEM FOR KEKAHA LANDFILL, PROJECT NO. NPS0047-11: Councilmember Kuali'i moved for adoption of Resolution No. 2015-63, seconded by Councilmember Kagawa.

Council Chair Rapozo: Discussion? Anyone have any questions?
Councilmember Yukimura.

Councilmember Yukimura: I think there just should be a brief summary so the public understands what we are approving here.

Council Chair Rapozo: That is fine.

There being no objections, the rules were suspended.

Council Chair Rapozo: Larry, if you could come up?

LARRY DILL, P.E., County Engineer: Good afternoon. For the record, Larry Dill, County Engineer. What we have on the agenda before you today is a Resolution requesting your approval for a Resolution which would allow the County to apply for, accept, receive, and expend funds for a loan from the State of Hawai'i Department of Health State Revolving Fund (SRF) Program. It is for the purpose to fund the gas capture and collections system that we are looking at for the Kekaha landfill. We are out to bid currently for that project. So, we will be moving forward with it fairly soon. This gas capturing system is a requirement, that we are required to by Environmental Protection Agency (EPA) rules because our landfill at Kekaha has passed a certain threshold with regards to its volume. We are required by law to have a gas capture and collection system. The design, we already submitted and got that approved to meet the deadline. We have to have it actually in place and operational by...

Councilmember Yukimura: Next year.

Mr. Dill: December of 2016. Thank you, Troy. We are moving forward along as scheduled, and we will be meeting that deadline. As you may recall, we came to Council before and requested the approval to fund this gas capture and collection system from the existing landfill closure account, which we fund annually because that is part of the landfill closure requirement. But it recently came to our attention, and I want to thank the State of Hawai'i Department of Health Wastewater Branch that manages the SRF program, for alerting us to the fact that this qualifies for funding under the program because it provides for protection of groundwater resources. I can tell you that I was surprised. We were surprised that we were eligible under the Wastewater Branch Program for this funding. But it certainly fits their bill and meets their criteria, and they encouraged us to apply. So, we are before you today to request that. The terms, you may be familiar with. It is the same as our Wastewater Division. It has applied for many of these loans in the past. It is basically a twenty (20) year term with an interest rate of percent (1%). So, very attractive financing terms. We are here to request your approval, and I will be happy to try to answer any questions you may have. I am sorry. If I may add one (1)

more thing. Our plan, since we received approval from Council by a money bill to transfer five million dollars (\$5,000,000) from our landfill closure account to a CIP line item where we could access it for this project. If we are successful with this SRF loan application, once we get a commitment letter from the State, then we would be back before you to transfer those funds back to the landfill closure account.

Council Chair Rapozo: Thank you very much, Larry. Any further questions? Councilmember Kagawa.

Councilmember Kagawa: A twenty (20) year loan for six million dollars (\$6,000,000) at one percent (1%) from a source that we did not know we could tap from to recapture the gas, it seems like an early Christmas present.

Mr. Dill: Yes, absolutely.

Councilmember Kagawa: Thank you. Thank you, Chair.

Council Chair Rapozo: A five million dollars (\$5,000,000) Christmas present.

Mr. Dill: We are requesting six million dollars (\$6,000,000) from the SRF loan.

Council Chair Rapozo: Right, but this is going to replace the five million dollars (\$5,000,000) that we had already transferred. So, we are going to get the five million dollars (\$5,000,000) back. I look at it as a five million dollars (\$5,000,000) Christmas gift.

Mr. Dill: Merry Christmas. Yes.

Council Chair Rapozo: Which we do not get too often. Every time you hear it, unexpected surprises are usually additional expenditures. Thank you very much. Councilmember Yukimura.

Councilmember Yukimura: Just remember, it goes back into the landfill closure fund. So, it is not like you can use it for anything else.

Council Chair Rapozo: Yes.

Councilmember Yukimura: But we are going to need it there.

Mr. Dill: Yes.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: Any other questions? If not, thank you, Larry. Thank you, Troy. Any public testimony? It is actually a no-brainer.

There being no one to provide testimony, the meeting was called back to order and proceeded as follows:

Council Chair Rapozo: With that, further discussion? I just want to thank Larry, Troy, and the State of Hawai'i for making this available.

Ms. Fountain-Tanigawa: Roll call.

Council Chair Rapozo: Roll call. Oh, Resolution. I am sorry. Roll call.

The motion for adoption of Resolution No. 2015-63 was then put, and carried by the following vote:

FOR ADOPTION:	Chock Hooser, Kagawa, Kaneshiro, Kuali'i, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: With that, we are going to take a break now.

Councilmember Yukimura: Are we not on the Communication?

Council Chair Rapozo: We will take a break here. We have a 1:30 p.m. public hearing. I am going break here so we can go down, take our picture with the military, and then we will be back at 1:30 p.m. with the public hearings. Then, we will continue on with the agenda immediately following the public hearings. Recess until 1:30 p.m.

There being no objections, the meeting recessed at 12:18 p.m.

The meeting reconvened at 2:46 p.m., and proceeded as follows:

(Councilmember Kagawa was noted as not present.)

Council Chair Rapozo: We have an Executive Session that was scheduled for 2:30 p.m. The attorney is waiting in Executive Session. But let us go ahead and clean up as much as we can before we go in.

Ms. Fountain-Tanigawa: Chair, we have on page 2, C 2015-300.

Council Chair Rapozo: I do not think we will be able to finish that before Executive Session.

Ms. Fountain-Tanigawa: C 2015-301.

Council Chair Rapozo: Why do not we read all of the Executive Sessions?

Ms. Fountain-Tanigawa: Okay.

Council Chair Rapozo: Let us do those.

There being no objections, the Executive Sessions were taken out of order.

EXECUTIVE SESSION:

ES-814 Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(2) and (4), and Kaua'i County Charter Section 3.07(E), the Kaua'i County Council requests an Executive Session with the County Attorney pertaining to the hiring of a County Auditor and to consult with the County's legal counsel. This Executive Session pertains to the hiring of a County Auditor where consideration of matters affecting privacy will be involved as they relate to this agenda item.

ES-821 Pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney, requests an Executive Session with the Council, to provide the Council with a briefing for the case of Akira Kadomatsu, et al. vs. County of Kaua'i, et al., Civil No. 13-1-0324, (Fifth Circuit Court), and related matters. This briefing and consultation involves consideration of the powers, duties, privileges, immunities and/or liabilities of the Council and the County as they relate to this agenda item.

(Councilmember Kagawa was noted as present.)

ES-822 Pursuant to Hawai'i Revised Statutes Sections 92-4, 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing on the retention of special counsel to represent Irvin Magayanes in State of Hawai'i vs. Irvin Magayanes, Criminal Number CR15-1-0267 (Fifth Circuit Court), and related matters. The briefing and consultation involves consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

ES-823 Pursuant to Hawai'i Revised Statutes Sections 92-4, 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing on Diana Gausepohl-White vs. County of Kaua'i, et al., Civil No. 13-1-0360 (Fifth Circuit Court), and related matters. The briefing and consultation involves consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

ES-824 Pursuant to Hawai'i Revised Statutes Sections 92-4, 92-5(a)(4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney requests an Executive Session with the Council to provide the Council with a briefing on the retention of Special Counsel to represent Shaylene Iseri, in her individual capacity, in Diana Gausepohl-White vs. County of Kaua'i, et al., Civil No. 13-1-0360 (Fifth Circuit Court), and related matters. The briefing and consultation involves consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

Council Chair Rapozo: Can I get a motion?

Councilmember Kagawa moved to convene in Executive Session for ES-814, ES-821, ES-822, ES-823, and ES-824, seconded by Councilmember Chock.

Council Chair Rapozo: Thank you. Any discussion? If not, roll call.

The motion to convene in Executive Session for ES-814, ES-821, ES-822, ES-823, and ES-824 was then put, and carried by the following vote:

FOR EXECUTIVE SESSION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST EXECUTIVE SESSION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Seven (7) ayes.

Council Chair Rapozo: Can we take C 2015-302, C 2015-304, and C 2015-305?

C 2015-302 Communication (11/23/2015) from the County Engineer, requesting Council approval to apply for, receive, and expend Clean Water State Revolving Fund (CWSRF) moneys up to a principal amount not to exceed \$6,000,000 for construction of the Gas Collection and Control System for the Kekaha Landfill, Project No. NPS0047-11; and transmitting a Resolution authorizing the execution of all necessary documents to finance the construction of the Gas Collection and Control System for the Kekaha Landfill, Project No. NPS0047-11: Councilmember Kualii moved to approve C 2015-302, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion? Public testimony?

There being no objections, the rules were suspended to take public testimony.

There being no one to provide testimony, the meeting was called back to order and proceeded as follows:

The motion to approve C 2015-302 was then put, and unanimously carried.

Council Chair Rapozo: Then, let us go to claims and then we can go into Executive Session.

CLAIMS:

C 2015-304 Communication (11/09/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by James J. Feiza, for injuries allegedly caused by a County road, pursuant to Section 23.06, Charter of the County of Kaua'i.

C 2015-305 Communication (11/16/2015) from the County Clerk, transmitting a claim filed against the County of Kaua'i by Joanie Steiner, for reimbursement of expenses, pursuant to Section 23.06, Charter of the County of Kaua'i.

Councilmember Kualii moved to refer C 2015-304 and C 2015-305 to the County Attorney's Office for disposition and/or report back to the Council, seconded by Councilmember Chock.

Council Chair Rapozo: Discussion? Public testimony.

There being no objections, the rules were suspended to take public testimony.

There being no one to provide testimony, the meeting was called back to order and proceeded as follows:

The motion to refer C 2015-304 and C 2015-305 to the County Attorney's Office for disposition and/or report back to the Council was then put, and unanimously carried.

Council Chair Rapozo: Thank you. At this time, we are going to recess to go into Executive Session and then we will be back to vote on the Executive Section items. There is also item C 2015-300. I am anticipating a lengthy discussion or somewhat lengthy. We have had an attorney waiting since 2:30 p.m. So, I want to get her done so we do not continue to pay an attorney several hundred bucks and hour to be waiting. So, we will take a recess or now, BC. What we will do is we will take the two (2) money items in Executive Section, we will come out vote on the money items, and then we will take item C 2015-300, and then can you go BC, after that we will adjourn, and we will finish up Executive Section. With that, let us just take a recess. I would say about half an hour, BC.

There being no objections, the meeting recessed at 2:52 p.m.

The meeting reconvened at 4:01 p.m., and proceeded as follows:

(Councilmember Kualii was noted as excused.)

(Councilmember Kagawa was noted as not present.)

Council Chair Rapozo: Can we have the next item, please?

C 2015-301 Communication (11/20/2015) from the County Attorney, requesting reconfirmation and re-approval of its prior recommendation for authority to expend funds up to \$50,000.00 to retain Special Counsel to represent Irvin Magayanes in State of Hawai'i vs. Irvin Magayanes, Criminal Number CR15-1-0267 (Fifth Circuit Court); which received Council approval at its September 2, 2015 Council Meeting (Agenda Item C 2015-236); and related matters: Councilmember Chock moved to approve C 2015-301, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion?

The motion to approve C 2015-301 was then put, and carried by a vote of 6*:0:1 (*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa (not present) was noted as silent, but shall be recorded as an affirmative for the motion) (Councilmember Kualii was excused).

Council Chair Rapozo: Motion carried. Next item, please.

C 2015-303 Communication (11/25/2015) from the County Attorney, requesting authorization to expend funds up to \$50,000.00 to retain Special Counsel to represent Shaylene Iseri, in her individual capacity in Diana Gausepohl-White vs. County of Kaua'i, et al., Civil No. 13-1-0360 (Fifth Circuit Court), and related matters: Councilmember Yukimura moved to approve authorization to expend funds up to \$25,000, seconded by Councilmember Chock.

Council Chair Rapozo: Thank you. Any further discussion?

The motion to approve authorization to expend funds up to \$25,000 was then put, and carried by a vote of 6*:0:1 (**Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion) (Councilmember Kualii was excused).*

Council Chair Rapozo: Motion carried. Next item.

C 2015-300 Communication (11/19/2015) from Councilmember Yukimura, transmitting for Council consideration for inclusion in the 2016 Kaua'i County Council Legislative Package, A Bill for An Act authorizing the issuance of General Obligation Bonds and making an appropriation in the amount of \$5,000,000 for the purchase of the Courtyards at Waipouli / East Kaua'i Workforce (Affordable) Housing: Councilmember Yukimura moved to approve C 2015-300, seconded by Councilmember Chock.

Council Chair Rapozo: Discussion? Councilmember Yukimura.

Councilmember Yukimura: Well as we know, the affordability will expire at the Courtyards at Waipouli in 2019 unless we purchase that property. That property was built as a zoning requirement for Kaua'i Lagoons where eight hundred fifty (850) residential resort units were approved. They will be permanent. It makes sense, and especially because of the huge need for affordable housing on this island, that we would do everything possible to acquire that property so that we can keep it in the affordable housing inventory in perpetuity and not have to have those people presently residing there to be effectively evicted in 2019, which means we will not only struggle to add to our inventory of affordable housing, but we are going to have to find replacement affordable housing for the units that will go out of affordable housing market. It is a worthy effort to try to acquire that property. So asking for five million dollars (\$5,000,000) to help us do that is really an important action towards our priority of affordable housing.

Council Chair Rapozo: Thank you. Any further comments?
Councilmember Kaneshiro.

Councilmember Kaneshiro: For me, I will not be supporting this. Affordable housing is important. I think with this, we are pretty much shooting from the hip. I mean, the Housing Agency was in here. They said that they are working on their plan, but they are not ready for money yet if they even got the money. We are getting five million dollars (\$5,000,000) when they said the project to purchase is twenty-four million five hundred thousand dollars (\$24,500,000). It is kind of like, I think, buying four (4) wheels on a vehicle and then saying, "Okay here. What are we going to do with it? Go figure it out" even though they are not ready to maybe purchase the body of the vehicle. For me, I think it is premature. I know this was compared to the adolescent treatment facility. But for the adolescent treatment facility, we are asking for five million dollars (\$5,000,000) and that is how much they are estimating it is going to cost to build the facility. So you get a whole entire facility. Asking for five million dollars (\$5,000,000) on a project that costs almost twenty-five million dollars (\$25,000,000), I do not think it is going to do anything. I think I am more comfortable waiting. If the Housing Agency comes up with a plan and says, "Yes, we can use five million dollars (\$5,000,000) if you folks went to the leg and got it." Yes, I would support it. But right now, I think it is premature to be trying to get five million dollars (\$5,000,000) for a twenty-five million dollars (\$25,000,000) project.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: I, on the other hand, will be supporting this request, as I have the adolescent treatment center. But I think the same applies in terms of requesting that a plan be drafted in how to attain these affordable housing units. My expectation is that there is more work to be done and I would like to see that occur as soon as possible. Thank you.

Council Chair Rapozo: Councilmember Hooser.

Councilmember Hooser: Yes, I am supporting this. I want to commend Councilmember Yukimura for putting this initiative forward. Without question, affordable housing, to me, is the number one issue we need to focus on. There are people all over our community who are doubled-up in houses. There is this severe lack of affordable housing and it is not going to go away unless we take proactive measures as a County to make it go away. Certainly it is not going to go away by itself. If the State is willing to give us a quarter of the price or any significant portion of the price to purchase affordable housing, I say we should ask for it. We should ask for it in their wisdom are willing to give it to us. I am sure the Housing Agency will find a good use for it. I think we need to ask and ask again and ask again and keep doing things until we get additional affordable housing for the people in our community. I am enthusiastically supporting this. Thank you.

Council Chair Rapozo: Thank you. Any other comments?

Councilmember Yukimura: Yes. I want to say that the proposal is written flexibly so it can be applied if the Courtyard at Waipouli does not come to fruition for whatever reason. It is five million dollars (\$5,000,000) toward eastside housing, and we have no proposal that I know of for eastside housing. We just finished Princeville and we just finished Lihu'e. The eastside is one of the most populous areas. It is close to job centers. It is really important that we provide housing. If we do not do the deal at Courtyard at Waipouli, we will have to provide for, at a minimum, forty-two (42) families who are going to be out of housing in 2019. I mean, if housing is a priority, we should not just be sitting back and saying to the Administration, "Well we will wait for your plan." We should be telling them "Give us the plan and give us the plan by January so that we can go forward and ask the Legislature with a full plan." Just like they said they are going to have a plan for the Adolescent Drug Treatment and Healing Center by the end of December. I mean, all of this talk and bemoaning about affordable housing and yet, here is the opportunity to actually take some action that might move us toward affordable housing. Also, Coco Palms owes us affordable housing. It is conceivable that they could contribute toward cost of the Courtyard at Waipouli as well.

Council Chair Rapozo: Anyone else? Councilmember Kaneshiro.

Councilmember Kaneshiro: Again, for me it all you comes down to a plan. I think we have had many presentations with the Adolescent Drug Treatment and Healing Center. They have come in with a plan. This, we have no plan. We are going to try to buy a building that is twenty-five million dollars (\$25,000,000) for five million dollars (\$5,000,000) and then we say, "Oh, well if we cannot do that, then we will just spend the five million dollars (\$5,000,000) somewhere else." What are we going to do? Are we going to buy five million dollars (\$5,000,000) worth of houses? I mean, we have zero plans for it. It would be nice to get support of the housing on a plan. Again, if the Housing Agency came in and said, "Hey, we can use this money, this is what we want to do with it," I would be all for it. But the Housing Agency came in

and said, "We are not ready for this money. We are not ready to move forward on this housing. We are working on it, but we are not ready yet." For me, again, I think it is just premature. Again, I do not see the State giving us the money because they are going say, "Here is five million dollars (\$5,000,000), go find the other twenty million dollars (\$20,000,000)" and then we say, "Well, we are not going to use it on this." I do not know what we are going to do with the five million dollars (\$5,000,000)? Buy houses with it. I do not know. I think, maybe next year we get in on it, we take our time, look at it, and we really strategize. If we are just going to ask for money for affordable housing, then let us do it. Let us ask for money and have a plan. Hey State, how about you provide us with ten million dollars (\$10,000,000) and this is what we are going to do? We are going to put in the infrastructure and make it more affordable for people to build in the area. Maybe we will have a plan with. But just to say, "Hey, give us the money and we will figure out what to do with it," I do not know. I just think it is a little premature. Again, if the Housing Agency came in and supported it, I would all in favor. But right now, I just think it is premature.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: I agree we need a plan. I agree that we do not just get five million dollars (\$5,000,000) and throw it up in the air and create affordable housing. We certainly need a plan. I see this as a placeholder that is flexible enough and broad enough to cover lots of affordable housing initiatives. We actually have until May, if you would, to come up with a plan. I will tell you, if the Administration does not come up with a plan, there is nothing to keep us as individual Councilmembers to come up with a plan and present an ordinance or a plan and ways to spend five million dollars (\$5,000,000). You can bet that if State had five million dollars (\$5,000,000) and they said, "County of Kaua'i, you deserve some extra help for housing," you can bet our Housing Agency would come up with a plan really quickly to spend the five million dollars (\$5,000,000). The bottom line is it does not hurt to ask and if we get that five million dollars (\$5,000,000), we will put it to good use. Again, I cannot overemphasize the need for us to move forward aggressively, not wait for the Administration, ask for money, develop our own plans, and move forward to create affordable housing for our community.

Council Chair Rapozo:

Thank you. Anyone else?

Councilmember Yukimura: The Administration has not submitted a plan for the Adolescent Drug Treatment and Healing Center.

Councilmember Kaneshiro:

Councilmember...

Councilmember Yukimura:

We have been asking...

Councilmember Kaneshiro: speaking?

Council Chair, is this her third time

Council Chair Rapozo:

Oh, okay.

Councilmember Yukimura:

...for it since 2011.

Council Chair Rapozo: Councilmember Yukimura, thank you. No. I think you made your point. I do not want to get into the Adolescent Drug Treatment and Healing Center discussion.

Councilmember Yukimura:

But it has been raised on this debate.

Council Chair Rapozo: It has. But let me just say that I agree with both of you. I think that the Administration did come up, as they often do, much like the Transportation Agency came up and said, "We do not have a real plan to expand." But yet, we have made those decisions to go ahead and pursue – the Council has made those decisions. I think Councilmember Hooser is correct that sometimes the Council has to light the fire and say, "Hey, there is an opportunity." I am going to support this for two (2) reason. Number one is because I told Councilmember Yukimura at the last meeting I would not support replacing the Adolescent Drug Treatment and Healing Center with affordable housing for Waipouli, but that I encouraged her to submit another one that was specific to affordable housing. If the Administration is not ready, then they need to get ready because it is a problem. The second reason, and Councilmember Yukimura also knows this, is we had the homeless summit yesterday, in fact. Was it yesterday?

Councilmember Yukimura: Monday.

Council Chair Rapozo: Monday. The State and the Governor's representative for homelessness was there. The first big one, which was a week ago, he made a nice speech about the three-pronged approach and all what State is doing to address the homeless issue. Homelessness, as well as affordable housing, maybe is not directly connected, but there is a lot of people who are homeless who may not have been homeless if in fact there was real affordable housing. Whether or not we get Waipouli, I do not know. I do not think we will be able to amass the funds. I probably would have a difficult time supporting this if it was limited to Waipouli because I think realistically, unless the Administration does some creative work in leveraging those funds with other funds, it is probably not going to happen. But this is broad and it opens up the opportunity to create affordable housing opportunities on the eastside. I do not know what State will do, but there is a point where State has got to put their money where their mouth is and this gives them at least an indication of what Kaua'i would like. Yes, I am going to support it. I hope that the State realizes that it is not just a County issue, but it is a State issue; homelessness and affordable housing. When Councilmember Hooser first said when County package came up, it did not dawn on me until you brought it up and said, "Hey, the most important issues are not even brought up on this list." I just did not even think about that until you brought it up. That is true. At least now this fills that gap and leave it up to them to see what they want to do. I am surprised the Administration did not support. So, it will not make the County package, but there definitely make the Council package.

The motion to approve C 2015-300 was then put, and carried by a vote of 5*:1:1
(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i,
Councilmember Kagawa was noted as silent, but shall be recorded as an
affirmative for the motion.)

Council Chair Rapozo: Okay. Motion passes. With that, no further business without objections, the meeting is adjourned.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 4:16 p.m.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a horizontal line and a small loop.

JADE K. FOUNTAIN-TANIGAWA
County Clerk

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